SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES DEPARTMENT NO. 57 HON. PAUL G. BRECKENRIDGE, JR., JUL CHURCH OF SCIENTOLOGY OF CALIFORNIA, Plaintiff, Vs. GERALD ARMSTRONG, Defendant. MARY SUE HUBBARD, Intervenor. REPORTERS' TRANSCRIPT OF PROCEEDINGS Wednesday, May 9, 1984	
DEPARTMENT NO. 57 HON. PAUL G. BRECKENRIDGE, JR., JULE CHURCH OF SCIENTOLOGY OF CALIFORNIA, Plaintiff, vs. GERALD ARMSTRONG, Defendant. MARY SUE HUBBARD, Intervenor. REPORTERS' TRANSCRIPT OF PROCEEDINGS	
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APPEARANCES:	
(See Appearances Page)	
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1 2 VOLUME 8 3 INDEX 4 5 Day Date Session Page 6 Wednesday May 9, 1984 A.M. 1178 P.M. 1285 7 8 9 PLAINTIFF RESTS Page 1358 10 DEFENSE MOTION FOR NONSUIT Page 1358 PLAINTIFF'S ARGUMENT ON MOTION FOR NONSUIT 11 Page 1358 12 13 14 EXHIBITS 15 16 PLAINTIFF'S IDENTIFIED RECEIVED 17 15 - (Previously identified) 1187 18 16 - (Previously identified) 1187 19 17 - (Previously identified) 1185 20 18 - (Previously identified) 1185 21 19 - (Previously identified) 1185 22 20 - (Previously identified) 1185 23 21 - (Previously identified) 1185 24 22 - (Previously identified) 1254 1356 25 DEFENSE: 26 G - (Previously identified) 1187 27 I - (Previously identified) 1187

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LOS ANGELES, CALIFORNIA; WEDNESDAY, MAY 9, 1984; 9:45 A.M.

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THE COURT: All right. In the case on trial let the record reflect that counsel are present.

You may proceed.

MR. LITT: Thank you, Your Honor.

Your Honor, before we proceed to read

Mr. Garrison's deposition testimony let me see if we can

deal with some other housekeeping matters. One, there are

a few items of evidence that we would like to move in.

We would like to move in exhibit 1. Before

we do so, if the court feels it is necessary on the question

of unavailability I have and am obtaining a certified copy

of, which should be here by the noon break, the decision in

the case in re Estate of L. Ron Hubbard, a missing

person which is a decision of the Superior Court of the

State of California for the County of Riverside which states

in relevant part:

"That the lack of information as to

Mr. Hubbard's present address is a matter of

choice by Mr. Hubbard. Mr. Hubbard's constitutional

right of privacy gives him a right to keep his

residence a secret from the public, and therefore

he is not a missing person."

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decision.

Honor.

fully aware of the decision.

THE COURT: Are you through?

MR LITT: On that, I am through, Your Honor. And then
on -- we would move in exhibit 1. We have other exhibits,
but I assume Mr. Flynn wants to be heard on exhibit 1.

THE COURT: Mr. Flynn.

MR FLYNN: Your Honor, with regard to the decision in the probate case, it is over a year old, first.

And we offer that as further evidence that

Mr. Hubbard is in seclusion. It is a judicial finding by

are prepared to add that on the unavailability issue. And

we would ask that the court take judicial notice of that

copies, although I believe counsel for the defendant is

the court of this state. We don't really think it is necessary.

MR. FLYNN: I would like to be heard on that, Your

Mrs. Hubbard has testified to it, but we

If the court wishes, we'll provide certified

Secondly, it is simply a decision that in the context of the California Missing Persons Statute where a person is missing for more than 90 days, the court found because of a declaration submitted by L. Ron Hubbard under the pain of penalty of perjury, which has not been done in this case, that Mr. Hubbard was not missing. That was the entire scope of the ruling. It had nothing to do with availability for purposes of service of process or service of a witness subpoena.

Secondly, the Federal District Court in Tampa in a copy of a ruling that I have provided to the court specifically found that L. Ron Hubbard is concealing himself.

The court stated at page 5 -- and this opinion was subsequently appealed on two occasions to the Fifth Circuit Court of Appeal which is now the Eleventh Circuit Court of Appeal. And the decision of the Federal Judge was confirmed.

MR. LITT: That is simply an incorrect misstatement.

There was an interlocutory appeal. The Eleventh Circuit Court did not hear the interlocutory appeal. There was no affirmation.

MR. FLYNN: Your Honor, Mr. and Mrs. Hubbard submitted approximately a foot of materials to the Eleventh Circuit Court of Appeal. The court rejected the appeal. The Federal District Court in Florida ruled as follows:

"The Court of Appeals opinion confirms such projects as 'red box' an organized effort on the part of persons within the church to hide the whereabouts of key personnel and key documents. Exhibit 3 to Lisa's deposition is 'Operation Bulldozer Leak', the stated purpose of which is to spread the rumor that L. Ron Hubbard has no control of the church and no legal liability for it. To the extent that the church is shown to be Hubbard's agents, these are efforts of concealment attributable to him."

And the court rules further on that page,

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"... these comprise corroborative and supportive evidence of the Hubbards' efforts and intent to conceal themselves.

Accordingly, the file herein presents a showing sufficient to indicate concealment under Florida law."

Now, this court is confronted with a situation where one federal court has ruled that L. Ron Hubbard is hiding from service of process. The court has received for identification this exhibit which initially when it was provided to the court was provided with an attached affidavit of a Mr. Brunell that was secured by an attorney named Lawrence Heller, and the exhibit 1 is dated February 3, 1982, and Mr. Brunell provided the special ink in which the letter is written and states in his affidavit, which we intend to introduce through Mr. Heller who we have subpoensed in our part of the case, that the special ink was prepared and transmitted to Mr. Hubbard on February 2nd, and the letter is dated February 3rd.

I submit that that supports an inference on the part of Mr. Hubbard's attorneys, of which Mr. Heller is one, of immediate access to Mr. Hubbard. We have subposnaed, as I indicated, Mr. Heller to appear before this court.

Lastly, we succeeded in subpoenaing last night Dr. Eugene Denk. Dr. Denk is Mr. Hubbard's physician, and we have testimony from other individuals that he has been his physician from at least 1979.

We believe that Dr. Denk has seen Mr. Hubbard in California within the last five to six months, and on one occasion took an electrocardiogram machine out of his office and took it to Mr. Hubbard's location. We have received information as to where Mr. Hubbard's location may be.

We have received information that there are three separate homes that have been set up as residences under an assumed name, and that Mr. Hubbard --

MR. LITT: Your Honor, can we not have these -- we have spent this whole case hearing about Mr. Flynn's incriminations. Let's get to facts.

What are we supposed to do with information he's received? I have heard so many statements from Mr. Flynn of information that he has that has not turned out to be any such information, has not turned out to be evidence. I don't think it is right.

THE COURT: I think if we are going to get involved in a dispute, it is going to have to be presented by way of evidence and not by way of assertion.

I have already made some indication in my rulings on the in limine matter. I don't know that there's anything that's occurred since then that would cause me to change my mind, but let me look at this letter. It will be helpful if you could read this.

MR. LITT: There is an attached typed -THE COURT: Interpretation.

Well, the letter purports to have been written February 3rd, 1983. Under 1250 of the Evidence Code this would be evidence of Mr. Hubbard's state of mind at that time, and as far as I am concerned, it is evidence of his state of mind on February 3rd that he'd like to have the belongings returned to the church or the legal representative of it. As to what he may have done in years before, it is

not admissible under 1250 subsection (b).

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Under 1251, evidence of a previous existing mental state, there has to be unavailability and it has to go to his state of mind and not a corporeal act or that he acted in accordance with that state of mind, and further under 1252 the evidence is admissible under the article that the statement was made under circumstances such to indicate its lack of trustworthiness.

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THE COURT: I would not receive this even if he were unavailable to prove the truth of what is asserted there.

I consider it to be hearsay, as I have indicated before.

And I think that there is nothing to indicate anything that relates to its trustworthiness. And there is no opportunity to cross-examine.

So I would not receive it for that purpose, but I'll receive it under 1250 of the Evidence Code which doesn't require unavailability insofar as the third paragraph is concerned in which he requests that it be returned.

It is received for that limited purpose.

MR. LITT: Thank you, Your Honor.

The next item -- I just want to go through at this point and clean up moving whatever into evidence. And I am just going through as they are marked.

I think the next item is actually a defendant's exhibit which we are all in agreement on which is the Omar Garrison PUBS DK agreement which was marked by the defendant as exhibit G. We would move that in.

THE COURT: Why don't we stick with plaintiff's exhibits first? Are they all in?

MR. LITT: No, Your Honor.

The next on the plaintiff's exhibits that we would move in are exhibits 17 through 21 which Mr. Peterson testified to yesterday.

THE COURT: Is there any objection to those letters and bills?

MR. FLYNN: No objection to the letters, Your Honor.

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MR. LITT: Yes.

THE COURT: I see no reason to put that under seal.

MR. HARRIS: So long as it is not considered any sort

I object to the bills for the reasons stated yesterday.

THE COURT: I'll overrule the objection. They'll be received with the same comments the court made vesterday relative to the objections.

MR. LITT: That takes care of all of the plaintiff's exhibits that we are moving into evidence at this time.

Exhibits 15 and 16, we do not want to move into evidence at this time, Your Honor, because they are lists of the sealed documents. And unless they are going to be received as such under seal, we are just reluctant to move them into evidence.

The court knows our feelings about doing anything that makes these matters a public record.

THE COURT: Are those the ones that indicate which is private and confidential? If it wasn't developed, how am I going to receive it?

MR. LITT: The court, at least, for the present, until the case begins and we see what has and hasn't come out in the way of documents, the court can agree to receive that at this time under seal.

THE COURT: This is just an inventory with comments personal and private; isn't it?

MR. LITT: That is all it is, Your Honor.

THE COURT: Or a statement that is to be filed with the court anyway as a list of exhibits?

of waiver in respect to the actual documents which underlie 1 the index. Your Honor; no problem. We'll move it in. THE COURT: I have no feeling that it would constitute 3 any kind of waiver. Your position is very clear. I understand 4 your position. 5 MR. HARRIS: We'll move them into evidence. 6 THE COURT: 15 and 16 are received. 7 MR. LITT: Exhibit G, Your Honor. 8 MR. FLYNN: I have no objection, Your Honor, as long 9 as the two attachments are also marked which are exhibit I. 10 THE COURT: They may be attached by stipulation. 11 12 I don't think there is any evidence. MR. HARRIS: There was one which there was testimony 13 about which was --14 15 MR. LITT: I have the original agreement here, Your Honor, if I can find it. And we can --16 17 Mr. Flynn, what are you referring to as the 18 attachment? 19 MR. FLYNN: The letter of L. Ron Hubbard with the 20 initials OVG in the lower right-hand corner dated March 16, 21 1977. 22 MR. LITT: Oh, yes. It is a part of it. That is 23 fine. 24 MR. HARRIS: We have no objection. 25 THE COURT: We have the G and I. 26 MR. FLYNN: I have no objection to it being merged 27 into one exhibit.

THE COURT: All right. Then I'll receive G and I with

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the understanding that I was included within exhibit G.

Are those the only exhibits you want to offer of the defense?

MR. LITT: At this time, yes, Your Honor.

Your Honor, may I make one other inquiry
before we begin, which is that the process of absorbing the
defendant's marked exhibits has still been a difficult process
for us because each day at the end of the day the defendant
marked more exhibits and including the last day after we had
had the last access to the documents. I wonder if the
court would permit Mr. Long, who is here, who has been
acting — he is a church staff member from the legal bureau
of the church and has been acting as a factual research
assistant. I wonder if the court would permit that he sit
in the jury box with the defendant's exhibits just so he
can review them and make some notes on them for our purposes?

THE COURT: Which defense exhibits?

MR. LITT: The sealed exhibits.

Our problem is that some of them, we are not even sure still what the notations even refer to or what the contents of some of them are.

THE COURT: You mean while we are conduting the trial?

MR. LITT: I know there is some concern about the
security of the documents. So I am just trying to think

of any means that would allow him, since they are here now,
to be able to review them while the trial is proceeding in
some form.

If the jury box isn't a good suggestion, I am

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THE COURT: What about the -- there are a couple of 1 2 exhibits here. Are we going to use those exhibits in this proceeding? 3 MR. LITT: Well, one of the exhibits is the agreement. 4 THE COURT: Okay. That is G. 5 MR. LITT: We will refer to it by G. The exhibit 6 that is marked exhibit 1 in this deposition transcript would 7 be exhibit G in this case. 8 9 There is a second exhibit which is a statement 10 of the agreement, settlement agreement between Mr. Garrison and New Era Publications which has not yet been marked as 11 an exhibit and that when we come to it we will mark as 12 plaintiff's next in order. 13 14 THE COURT: Very well. OMAR GARRISON, 15 16 having been called as a witness on behalf of the 17 Intervenor, was duly sworn, examined, and 18 testified as follows:" 19 Beginning with page 5. 20 medical questions. We can go to page 6, line 18. 21 22 THE COURT: All right. 23 24 Wherever Mr. Litt stops, I am going to join in?

MR. LITT: Your Honor, I think we can skip the MR. FLYNN: I take it then I am going to follow after. 25 Where Mrs. Dragojevic asks the question. THE COURT: 26 MR. FLYNN: And Mr. Harris is going to be kind enough 27 to ask me the questions? 28 MR. HARRIS: I didn't know I was volunteering for that,

but okay. 1 THE COURT: Well, if you start having problems, let 2 us know. 3 MR. HARRIS: Okay. MR. LITT: (Reading:) 5 Let me begin by asking: Mr. Garrison, what is your occupation? 7 "A I'm a professional author. "O And where do you reside? 9 I reside at 1099 West Cedar Knolls *A 10 South, Cedar City, Utah. 11 Can you describe just very briefly 12 the books that you have published, specifically 13 books that relate to the subject of Scientology. 14 You don't have to go through everything. 15 "A No. I have 14 books in print; it 16 would be very rather difficult. 17 "With respect to Scientology, the first 18 book I did was one called The Hidden Story of 19 Scientology. Do you want to know basically 20 what it's about? 21 "Q Just the title is all right. 22 "A The next one which dealt with 23 Scientology, at least peripherally, was one 24 called The Secret World of Interpol; and there 25 was a third one, the last one, which is entitled 26 Playing Dirty and has a subtitle The Secret War 27 Against Beliefs. 28

Some time in the year 1980, did you *0 1 enter into a contract to write a biography on the 2 subject of L. Ron Hubbard? 3 "A I did. 4 Showing you Exhibit" -- what is now 5 Exhibit G -- "can you examine that document 6 and tell me if that is a copy of the contract 7 which you entered into to write that biography? 8 "A As each page with the exception of one 9 page, namely page 8, bears my initials, I assume 10 that it's the same document. 11 With whom did you enter into that 12 agreement? 13 I'm not quite sure with whom I was 14 entering the agreement at all. The name on the 15 contract was an entity known as, I believe, 16 Publications DK. 17 'DK' referring to Denmark? 0 " 18 MA Denmark. 19 And this biography, was there an 20 21 arrangement with respect to it that would 22 involve cooperation by the Church of Scientology and by L. Ron and Mary Sue Hubbard with respect 23 to the biography? 24 Yes, indeed, very much so. I was to 25 26 be provided with all -- I believe the contract itself spells it out -- all necessary materials 27 to do a full and complete biography. 28

"Q Was it an authorized biography?

"A I'm not competent legally to say
what an authorized biography is. If you mean was
it my understanding that L. Ron Hubbard approved
it, yes, indeed. I have a memo to that effect
signed -- initialed by Mr. Hubbard.

"Q Now, in drafting the biography, were you to be provided materials by the Church of Scientology of California to assist you and provide you background information in writing the biography?

where the material would come from except from Mr. Gerry Armstrong who was appointed as my research assistant. Now this occurred when I first met Mr. Armstrong in England in East Grinstead, Sussex. He was introduced to me as the archivist who had charge of biographical materials and would have more, I believe; and it was my understanding that a general memo had been circulated to other parts of the Church of Scientology saying that this biography was being done, and if they had any pertinent material, they were to send it to Mr. Armstrong.

"So as to the source of the material,"

I honestly cannot say where it came from or who had

it. It was first introduced to me by Mr. Armstrong.

"Q When did you first meet Mr. Armstrong?

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"A I can't give you the exact date off
the top of my head, but it is fairly well
documented because I was in East Grinstead at
the time, and it was a few months prior to signing
of the contract.

"Q Was it essentially in the context of discussions about how the biography would proceed; is that right?

"A No. At that time --

Cedars Complex.

*Q Negotiations
"A At that time, remember, I had not
signed at that time I had not really agreed
until knowing that they would conform to certain
conditions I had. At that point I had not either
signed under the contract or agreed to do it.
I was very hesitant at that point.
"Q And the contract itself was signed,
I believe, October 30, 1980; is that right?
"A Yes, approximately.
"Q Is that your recollection?
"A Yes; in Los Angeles.
*Q At that time was Mr. Armstrong
working as an archivist or the archivist?
"A Yes. Well, it is my understanding
he was.
"Q That was the information you received?
"A That was the information I had, yes.
*Q Both from Mr. Armstrong and other
people?
"A Other people, responsible people in
the church.
"Q Do you know where Mr. Armstrong had
his office, his archives office?
"A Those that I saw and, incidentally,
I don't have access to but I saw them. They
were in the Cedars of Lebanon building known as the

1	"Q That's at the Church of Scientology
2	facilities in Hollywood?
3	"A Well, it's known as the Cedars Complex.
4	It's their principal building here, I think.
5	"Q Now, once you signed the contract
6	did Mr. Armstrong begin to provide you with
7	materials to be used for it?
8	"A Yes. He provided me copies.
9	And it involved rather extensive copying of original
10	documents. And the documents, as I understood
11	it, were arriving as we went along from other places
12	as well in addition to those he already had. So
13	I have no personal knowledge of what the setup
14	is with regard to what he had and what he
15	received later. But he began to provide me
16	with material from that point, from the point
17	of signing up the contract.
18	"Q Now, in the past you indicated that
19	you had written other subjects that generally
20	were in the area of Scientology. Had you been
21	provided materials in preparing those?
22	"A Copious materials, enormous amounts
23	of material.
24	"Q And had it been your general practice
25	to keep those materials confidential between you
26	and the people who had provided them to you
27	essentially?

Yes.

"A

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"Q And was it your understanding that the same practice would apply to the materials provided for this --

"A Oh, yes.

moment, how this contract would work. Was there a mechanism by which after you drafted a manuscript that it would be provided to certain people for their review?

"A I think you'll find the document itself is the best answer to that. I think it really mentions names of people. I haven't looked at the document recently because it's null and void so far as I am concerned. And as you know now, it is legally as well; so I haven't had occasion to refresh my memory as to who those persons were, but I believe they are named in the document.

"Q Well, specifically, and correct me if
I am wrong --

"A David Gayman was one. And he, of course, is now outside the pale; and I believe Mr. Hubbard was another. But I don't recall the third person. There were three, were there not? In any event, it is in the document.

- "Q And after this was subjected to review could proposed changes be suggested to you?
- "A Well, again, my memory is that they could. But as you have the document before you,

I think you could refer to it and it could tell 1 you. " 2 MR. LITT: I wasn't going to read the next. 3 THE COURT: I think Mr. Flynn wants it all. MR. LITT: I'll read my questions because there was 5 no objection by me to them. 6 "O And was it your understanding that 7 in the event for whatever reason that an agree-8 ment could not be reached as to the content of 9 the document, there was a method by which the 10 manuscript would not be published and you would 11 be reimbursed? Was that also part of the 12 contract? 13 Again, the contract is there before 14 you. The contract in my opinion was obtained 15 fraudulently and so for that reason I've not 16 again reviewed it and refreshed my memory on it." 17 MR. LITT: I move to strike that answer as non-18 responsive, Your Honor. 19 THE COURT: All right. It will be stricken. 20 21 MR. LITT: (Reading): 22 All I'm asking you here is not the financial arrangements of the contract or whatever, 23 but was it your understanding when you entered 24 into the contract that there was a mechanism 25 26 by which --27 Yes.

If an agreement at the present

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time could not be reached, there could be an 1 arrangement by which you could be reimbursed --2 B A Yes. 3 0 -- and the manuscript not actually 4 be published? 5 A Yes. 6 Thank you. Give me a description, "Q 7 and here I don't want a detailed description, 8 but a general description of the types of materials 9 that Mr. Armstrong as the archivist made available 10 to you in the course of your work on the 11 biography. 12 MA To a biographer, anything whatsoever 13 pertaining to the person about whom you are 14 15 writing is grist for the mill. I want to sort 16 of preface it with that. "The material that Mr. Armstrong provided 17 18 me ran the whole gamut from ordinary -- let's say, 19 the baby book, the beginning of Mr. Hubbard's 20 career, his letters; there were legal documents; 21 there were -- everything, all the material that 22 would go into a classic biography. 23 "Q Were they extensive? 24 "A Extremely so, yes. 25 OM Can you give me any kind of estimate 26 of the volume of them? 27 MA I'm still trying to determine that 28

because I had such enormous reserves of documents

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Mr. Hubbard as well that for the last three years I've been reviewing not only the material that Mr. Armstrong gave me, but all that went before. So it's intermingled. And I can give you a rough estimate, for what it's worth, as to worth -- you want the number of pages or -- "

1	"Q However you find it easiest. I
2	realize we can't be precise but
3	"A Well, there were in terms of binders
4	because much of this material was collected into
5	individual binders. There were, I believe,
6	some 300-and-some-odd which the Scientologists
7	have a way of computing documents, as dating from
8	the time of those they took in Washington, as
9	stacking them up on the side. If this is true,
10	I might have a five-foot stack of documents.
11	"Q Were you provided materials by
12	anyone other than Mr. Armstrong?
13	"A Oh, yes. Different people. I couldn't
14	tell you everybody, Sullivan; people even wrote
15	me from Denmark.
16	"Q But the primary person was Mr. Armstrong?
17	"A Yes. He was my research assistant
18	so it was his job.
19	"Q Do you know what his actual title
20	was? Was it 'Archivist' to your knowledge?
21	"A This was my information; and
	research assistant.
22	
23	"Q And was it your understanding that
24	that was a church title of some kind?
25	"A I have no idea; their titles are
26	very mysterious.
27	"Q Would you at times request from
28	Mr Armstrong certain tunes of materials?

"A Yes. Not frequently because he was always ahead of me. In other words, the documents that he had provided me I was still reviewing and going through and making notes from and cross-referencing. Always there was a backlog of material I hadn't got to, and this was the case right up to the end. As you know, there were several documents I hadn't even seen or gone through because I didn't get to them.

"But on occasion, when a question would arise,
I would make a note of it and I thought he might
have the answer to, and then he would say, yes,
it may be in this or that document, and he'd
go into the files and look for it.

- "Q Were many of the materials from what you could determine personal records of Mr. or Mrs. Hubbard?
 - "A Very personal records.
- "Q And would it be fair to say that upon completion of the project and in the event there was a request for the return of them, that it would have been both your practice and your understanding that they would be returned with the possible exception of materials that were directly used by you?
- "A I think so. I have a reluctance to have other people's personal matters in my files and -- but I would have retained through publication

and beyond, at least beyond the statutory limits, 1 any material related to what I had published 2 simply out of a -- simply as a protection against 3 future suits. 4 "Q So, in other words, the materials that 5 were given to you were materials provided to you 6 for your use as opposed for your personal ownership; 7 would that be a fair statement? 8 "A That's an assumption. Curiously when 9 we got to look at the contract -- it never 10 occurred to me because this has never been a 11 problem before. But when my attorney -- when 12 you first brought up, I believe, the question 13 of return of all the documents and then they 14 issued this -- this subpoena duces tecum to 15 16 me over there, saying bring everything you ever owned about Scientology, we got to thinking 17 about it, and my attorney looked at the contract, 18 19 and he said nowhere in there does it require me to return anything. 20 I understand that the contract m Q 22 itself is silent on that point. "A Yes. But if you mean is it my 23 24 practice, would I have done it, yes. 25 00 That had been the practice on your 26 other --27 "A Not always. They didn't -- as 28 time -- it was the practice with the first book,

and after that I think that the knowledge finally grew on them that I was a person who could be trusted, and they never requested the return of any other material. I have very sensitive materials relating to the other books, some of it very sensitive.

"Q Did you ever provide access to any of these materials to anyone who was not part of the church?

"A I did not, that is, not knowingly, not with my consent.

"Q What was your understanding, if you had one, as to who owned the materials, copies of which were provided to you?

"A The question never arose.

"Q Let me ask it this way: I take it
you were able to determine that there was a
variety of materials, some of which could be
categorized as personal papers of Mr. Hubbard
were
and Mrs. Hubbard, some of which from the church
files; is that right?

"A There was very little comparatively.

If you take the entire body of the material,

I'd say that almost nothing was church -- this

is the material that I had and was provided me

where, if you wanted to characterize them, you

would say they are the private papers of L. Ron Hubbard.

*Q To you knowledge, had these papers

or were these papers made available to anyone from outside the church other than you?

- "A Would you repeat that, I didn't quite follow.
- "Q To your knowledge, had these papers ever been made available to anyone from outside of the church other than yourself?
- *A Not in the sense of my having seen them pass from one hand to another. It's just a general loose understanding, an assumption that they would have been used, certain ones, in another, in another context. But as for my personal knowledge of it, no, I can't say that I ever knew.
- "Q Explain to me how Mr. Armstrong would work with you as your research assistant on the biography. Explain the working relationship between the two of you.
- was an extremely efficient researcher in that he -we had a vast body of material that was just
 miscellaneous that he had apparently brought in
 or sent in or acquired or wherever it came from.
 And he was able to take this and, it seemed to
 me, in a very short time and intelligently sorted
 out and put it into binders in such a way that it
 would save me hours and hours of work
 trying to relate one thing to another.

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"So that if in one binder there was
within a certain time period there were certain
developments, and over here in another time
period there were developments way down the
road that related to these, I didn't have to
wait until I got down there, but there would be
a cross reference or the documents itself in there.
So in that sense I was extremely grateful,
and I still am extremely grateful for the work
he did.

"So to answer it in a general way, he was a very able researcher, and he knew -- he had the ability, which is important, to keep everything in his head as well. So that if I asked -- there were thousands of details, minute details; and if I said, 'Well, somewhere I recall -- I didn't make a note of it at the time, but I recall that there was a reference to an incident that occurred in 1932 in Puerto Rico,' he would say, 'Yes, it's in this or that binder.' And I'd know right where -- so from that point of view it was extraordinary really.

1 "Q So essentially it sounds like 2 from what you are saying that he played two 3 interrelated roles. One is he gathered 4 materials and provided to you what he though 5 would be relevant to the biography and, 6 secondly, he was a resource on whom you coul 7 draw if you had a question about those 8 materials? 9 "A Right. 10 "Q Now, I have a list. And I jus 11 want to go over it real briefly. This is a 12 list of, at least, some of the types of 13 documents that Mr. Armstrong has previously 14 indicated were among the materials provided 15 you. 16 "There were letters between 17 Mr. Hubbard and his various wives? 18 "A Yes. 19 Documents from Mr. Hubbard's Naval career?
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"A Yes. "Q Documents from Mr. Hubbard's Naval career?
19 "Q Documents from Mr. Hubbard's 20 Naval career?
Naval career?
Navai Career.
21 "A Yes.
22 "Q Correspondence with various
agents and publishers between Mr. Hubbard an
24 others?
25 "A Yes.
26 "Q Correspondence or other files
27 relating to friends of Mr. Hubbard's or
28 acquaintances?

acquaintances?

1	"A Relating I don't
2	"Q In other words, letters or
3	whatever between personal acquaintances
4	"A Yes.
5	"Q and Mr. Hubbard?
6	"A Yes, 'writer friends,' I think
7	was the title.
8	"Q Files of various written
9	materials by Mr. Hubbard, original written
10	materials, manuscripts?
11	"A Well, they weren't originals in
12	the sense with one or two exceptions, they
13	were copies of originals, yes.
14	"Q Awards that Mr. Hubbard had
15	received in the course of his life?
16	"A Possibly, yes, I believe there
17	were one or two.
18	"Q Correspondence between
19	Mr. Hubbard and other family members aside from
20	his wives?
21	"A Yes.
22	"Q Childhood information such as Boy
23	Scouts, a variety of sort of miscellaneous
24	'memorabilia' would be the best word?
25	"A Yes, memorabilia concerning his
26	Boy Scout period, yes.
27	"Q Diaries and journals?
28	"A Yes.

1	"Q Can you think of any other
2	general categories that I haven't included?
3	"A Yes well, no. Mostly you
4	see, you've given a more-or-less broad some
5	of those categories are broadly descriptive. I
6	think you can subsume mose of the materials
7	under those you've given.
8	"Q Now, at some point you became
9	aware that Mr. Armstrong had left the church
10	and was no longer the church archivist; is that
11	correct?
12	"A Yes.
13	"Q Would that be in sometime
14	around Christmas of 1981 that you
15	"A I believe so.
16	"Q learned this?
17	"A In that general time period, yes.
18	It was after Christmas, just following
19	Christmas, I think.
20	"Q Mr. Armstrong called you and
21	advised you that he had left the church?
22	"A Yes.
23	"Q Now, for the period, say, the two
24	or three months immediately prior to that I
25	am referring now to that being the time
26	Mr. Armstrong left the church
27	"A Yes.
28	"Q had you received any large

body of materials for your biography from Mr. Armstrong?

"A My recollection is that I did.

I'm not quite certain as to how much, but it seems to me, if I recall correctly, at that period -- well, again, this came to me all the way along the line and more or less in bunches. I'd receive a number of binders at the same time. But generally speaking, I believe that there was some -- I would say a little more toward the end than there had been in the immediate preceding months.

"Q I know it's a while ago so I recognize it's hard. But when you say 'a little more,' would it be like --

"A Well, I honestly don't remember.

I really don't. These things -- I remember I

thought we were at the end of everything,

staring the first two months afterward. You

must realize that I had no idea that all this

material existed and I don't think anyone else

did. I don't think Mr. Armstrong did. I think

it just proliferated.

"Q Let me ask you the question this way: In the months of November of December, were you given several thousand additional pages?

"A No. I don't believe so. I don't

1 recall that many. 2 So to the best of your recollection it may be a few hundred, something 4 like that? 5 "A I would characterize it by number 6 because I honestly don't remember. And, you see, this had been an ongoing project over 8 three years and it's -- I honestly don't remember any given time how much I received at 9 10 one time. Now, as I understand it 11 Mr. Armstrong agreed to continue to help you 12 13 out for a while in your biography? 14 "A Yes. He did at my request. And was the assistance that he 15 "Q 16 gave you in the form of continuing to be a resource to help to answer questions or --17 18 "A It was chiefly --19 "0 Or help locate things --That was it. It was to help "A 20 21 locate things and materials. That was it, to 22 help me locate things. Because as I said, he 23 had a very astonishing recall and memory of 24 where things were and it saved me hours and 25 hours because I could say 'Well, where is 26 this?' And also he was able to readjust some 27 of this material so it would bring it in

alignment and I wouldn't overlook something

1 which perhaps was down the way and I wouldn't even know about it so I couldn't ask him about 3 it because I didn't have knowledge of it. So the re-arrangement as well. 5 "Q And after he had left the church 6 did he do any writing or provide any new 7 biographical material other than what he had 8 already given you? 9 Not to my knowledge. 10 were -- there were things that were not sorted 11 out, as you know and so, what was there, what 12 he had knowledge of, it is unknown to me. 13 So essentially, as I understand it, the form of his assistance would be that he 14 15 was available for you at any time to call him 16 and ask him questions about the materials? 17 Well, he continued to work very 18 closely with me on it. 19 When Mr. Armstrong left the 20 church he did not have a job; is that right? 21 "A I don't know that. 22 "0 Well, let me ask it this way: 23 You helped him to get a job --24 "A Yes. 25 "Q -- at some point --26 "A Yes. 27 "0 Do you remember when that was, 28 approximately?

"A Well, you could tell when his 1 employment began with Feldsott & Lee, the law 2 firm for whom he has been employed in the last 3 year and a half or whatever it is. "0 To the best of your recollection, 5 that was around the spring of 1982? 6 "A Gee, I don't recall precisely, but somewhere in that time period, yes. 8 "Q Now, as I understand it, after 9 Mr. Armstrong began working at the law firm --10 whose name you mentioned, but nonetheless 11 evades me at the moment -- his relationship to 12 working on the biography diminished? 13 Oh, considerably, yes, almost 14 entirely. I mean -- well, he was very good 15 about this because he was never -- he was never 16 reimbursed for any of his services after he 17 left the church. But he was very good about it 18 because I was constantly ringing him up and 19 right up to the time that I left off writing 20 the book and asked him where certain things 21 were. 22 "Q So let me see if I understand it 23 correctly. Basically, after he went to work 24 for the law firm, you might call him on 25 occasion --26 " A Yes. 27

-- to ask him one question --

"0

1 "A That's right. 2 -- or another? "0 3 Because we didn't see each other 4 that often. He was here and I was in Utah. 5 "0 Now, as some point did 6 Mr. Armstrong come to you and say that he would 7 like to obtain from you some of the materials 8 from the -- 'biography project' I'll call it 9 that -- that you had? 10 Yes. Perhaps we ought to, at 11 least I would like to preface that by saying 12 that during the period we are discussing -- and 13 this has been, I think, laid out in an 14 affidavit by Mr. Armstrong. So I won't repeat 15 all of it -- but in a general way he was --16 considered his life in danger." 17 MR. LITT: Your Honor, I move to strike that as 18 nonresponsive. I moved it in the transcript. 19 THE COURT: Well, let's see. All right. I'll strike 20 the answer as nonresponsive. 21 "0 My only question here is at some 22 point did Mr. Armstrong come to you and ask you 23 if he could get some materials from you that 24 you had from the biography project? 25 In a general way, yes. I'm 26 not -- in other words, I don't at the moment 27 recall a specific instance, but obviously, he

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did, yes.

"Q Did that occur on more than one occasion, or on one occasion as best you recall? Was there a particular time? Without necessarily being able to identify the date, was there a particular request?

"A That was what I was trying to explain, that it wasn't a series of specific requests. There was a general understanding that grew of what was happening to him which laid the foundation for his having access to the documents, which, in fact, I had received from him anyway. It wasn't betraying any confidentiality because I got the documents from him. He knew everything that was in them.

"Q I understand. But he came to you at some point and asked you if he could make copies of some documents; is that right --

"A Yes.

"Q -- as opposed to his having access?

"A Yes.

"Q And he told you that he needed these documents for his legal case --

"A For his -- yes, for his defense.

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*Q Referring to that request when he came to you and said that there were materials he would like to copy for his case, do you recall the nature of the materials that he requested?

"A No, I don't recall.

"Q Were they materials that generally were to relate to the subject of L. Ron Hubbard's connection to or control over the Church of Scientology?

"A That was my understanding, but as to whether that was the fact or not, I couldn't answer that, no.

"Q It was your understanding from Mr. Armstrong --

"A That was the purpose. You are inquiring as to the purpose. That was represented to me as I understood it, yes. Yes.

"Q And then Mr. Armsrong, in fact got some documents and then reviewed them with you, is that right, as to what he was taking?

"A No, he didn't review them with me at all. He said — there are several occasions. We're speaking of this as — again, you are trying to put it into a single incident when in fact what you are referring to was an occasion in which Mr. Armstrong took some documents for his use in his case and left me a list of the documents he took so that I would know what he

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had. But I did not review those and I do not know what they were.

"Q Do you recall how much material he took on that occasion, approximately?

"A It's simply an estimate on my part, but I would guess about 12 binders.

"Q Would that fill -- just to try to get a physical estimate of it. If you can't answer it after I ask it, just tell me. Would that be, say, one carton full?

"A Oh, no. You must understand that all the binders were not uniform in size. Some were extremely thin; and some of those that he would have been interested in for the preparation of a legal case were in fact documents that would be single documents in a binder and therefore quite thin.

"Q So to your understanding it would be less than a carton?

"A Oh, yes, I think so. On this -remember we're speaking of a specific occasion,
now. There were other occasions.

again I recognize you can't remember all of
the details. On the other occasions, was it also
your understanding that these documents were
being taken for use in his case?

"A Yes.

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	*Q	And :	if you	a have	any	idea o	r as	best
you c	an, car	you o	give r	ne an	esti	imate of	the	
total	bulk o	f docu	ument	s that	t he	would h	ave	taken
from	you.	Would	they	have	all	togethe	r fi	lled
one c	arton,	say?						

- "A I have no idea, quite honestly, because I don't know. It's the same thing I've said repeatedly about --
- "Q Let me explain one thing. I am Not asking for what was actually taken because I realize you weren't there when Mr. Armstrong took them. But as far as you understood of what was being taken, I'm trying to get some ideas of the amount of materials that we're dealing with.
- "Q Frankly, I don't know. Frankly,
 I really don't know. This was, again, over a
 period of time, and it's very difficult to -- to -I want to be accurate because there's no point
 in my just estimating it, and I really don't
 know how much material Mr. Armstrong concluded
 he needed or wanted for his -- for his case.
- moment ago where you said he left you a list of what he took. Was that around the time of the Clearwater City Commission hearings?
- "A No, it was afterwards, I believe.

 I wouldn't want to be held to it, but I am -- my

impression is it was considerably some time afterward, but I'm not sure.

"Q In terms of the types of materials which you would give permission to take, were you agreeing to taking what you considered to be private or confidential papers of Mr. and Mrs. Hubbard?

"A They were characterized to me as mostly legal documents that were necessary because I was constantly like a broken record telling Mr. Armstrong that under no circumstances was he to take, to disseminate or let out of my ken biographical information. My -- I was constantly reminding him we'd have to limit the material to what he needed for legal purposes; and what that was I had no way of knowing because I wasn't his attorney and I didn't -- I wasn't in charge of his case. I didn't know what kind of case they were working out. I never consulted with them. But there was always the caution that I didn't want any biographical materials to be disseminated.

"Q So if I understand the situation correctly, and please tell me if I'm wrong, Mr. Armstrong came to you and said he needed materials for his case, and you made a distinction between legal documents and documents that related to your work on the biography or that would

be more personal documents that would only be usable for the biography project as such, and then left the judgment as to what fell into those categories up to Mr. Armstrong? Yes, that is correct.

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1 "0 I am going to attempt -- and I'm 2 not sure I'm going to succeed -- in seeing if I 3 can go through some different types of materials with you and see if these are 5 materials that you know Mr. Armstrong has taken from you or were within the category of the 6 types of materials that he had taken from you. 7 Letters of Mrs. Hubbard to 8 Mr. Hubbard. Do you know whether Mr. Armstrong 9 took any such materials from you? 10 "A Of my certain knowledge, no. 11 "Q He did not take any such? 12 "A No, I did not say that. I said 13 of my certain personal knowledge, I don't know. 14 "0 When you had the discussion with 15 Mr. Armstrong about his taking materials from 16 17 you, was it your understanding that he would be taking such letters? 18 19 Well, it was well understood, as 20 I believe I told you in our initial 21 conversation, that I had no intention of using 22 Mrs. Hubbard's letters at all and in fact did 23 not. 24 "0 I understand that. From the 25 conversation between you and Mr. Armstrong 26 about the materials he said that he would be 27 getting from what you had, was it your

understanding that that would include letters

of Mrs. Hubbard?

"A No. Letters of Mrs. Hubbard were never discussed by us at all. I don't recall in any context discussing Mrs. Hubbard's letters with Mr. Armstrong other than the reference that they were there in the material.

"Q How about tax documents?

"A There was one folder -- again,
I'd like to be precise, but I'm not certain on
that point. I think -- there certainly was no
discussion, and I may have provided him one
called 'Tax Matters.' I'm not sure about that.
There was one, I recall, one folder that had
that label.

"Q Let me go back for a moment before I continue on this tack.

"Do you recall approximately when the request came to you from Mr. Armstrong for documents? I mean was it right after he left the church or somewhat later?

"A No, no. It was somewhat later.

It was specifically -- without pinpointing it in time, I can give it to you relatively. It was, say, when he felt the necessity he said of retaining counsel, and he had in fact, did retain counsel, and at that point he needed, he said he needed documents to support his case.

"Q Now, was that counsel, do you

know, Michael Flynn?

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I -- to the best of my belief, it was, but I'm not sure because Mr. Armstrong didn't confide in me chiefly because at that point -- I mean with respect to his counsel -- chiefly because I think he felt I was opposed to anything that Mr. Flynn might do with any information he would get. I felt he was in close contact with other writers, some of whom I felt some doubt about; and I didn't want them to obtain any material that I had for my biography because, obviously, they'd use it. And so I didn't -- I rather frowned on the idea at that time of Mr. Armstrong having a relation with Mr. Flynn at all; and he felt this reluctance on my part, and he didn't discuss any of the -- any of the details of his association with Mr. Flynn.

Did you communicate to Mr. Armstrong your hesitancy to have materials that you felt were important to the biography that you were writing provided to Mr. Flynn because there was a danger that they in turn could be passed on to other writers?

> " A Repeatedly.

"0 Now, I'm going to ask you just about what's really a completely unsystematic list of materials just to try to get a sense of

certain things and see if can jog your memory or not. This relates to what to your under-standing was provided to Mr. Armstrong by you.

"For example, do you have any recollection of whether there were any newspaper clippings from the late 1950s that Mr. Armstrong took from you?

"A Gee, I don't recall any at all.

I'm not sure. Could you be more specific?

What kind of newspaper clippings?

"Q All I know yout them is that there were some newspaper clippings from the years 1957 to 1961 that had comments by Mr. Hubbard, apparently.

"A I recall only one, which had to
do with horticulture -- and the reason I recall
it is that I just found it, and I've just
returned it this morning -- and I found it in
my files. It was from an English newspaper,
and it had to do with Mr. Hubbard's work with
plants in England. Apart from that the only
other one I recall, I think, was some account
of the ship APOLLO, it's latter history.

"Q Did you have any understanding that such newspaper clippings were to be provided to Mr. Armstrong as part of the materials that you were giving him?

"A Well, of course, I had no idea

what was going to be provided Mr. Armstrong. 1 It just -- you know, it just came over the 2 transom, and I grabbed it. 3 No, no, no. You are back in a "Q 4 different time period than I am. 5 "A I see. Maybe I don't understand 6 you. 7 "0 I'm referring now to -- not the 8 period that Mr. Armstrong was gathering up 9 materials to give you but the period when he 10 came to you and said that he needed certain 11 materials. And what I'm trying to get an 12 understanding of in general in these questions 13 is the types of materials that you understood 14 that he would be taking from what you had, and 15 one example would be -- for instance, would it 16 have been your understanding that part of what 17 he was getting from you would have been so he 18 newspaper clippings? 19 "A No, absolutely not. I wasn't 20 aware of any newspaper clippings at all. 21 How about earlier incomplete 22 biographical sketches of Mr. Hubbard? Same 23 question. 24 I'm not quite sure I understand " A 25 the identity of the document you are talking 26 about. Is this -- the church has provided all 27 sorts of biographical sketches of Mr. Hubbard. 28

1	"Q Apparently this is an early,
2	incomplete biographical sketch.
3	"A Well, there are so many I really
4	couldn't say because I have seen various ones
5	dating back to
6	"Q How about letters between Mr. Hubbard
7	and A. E. Van Vogt? Would it be your
8	understanding that Mr. Armstrong would have
9	been getting such letters from you?
10	"A Specifically, I don't recall, but
11	I rather think, yes.
12	"Q How about letters between
13	Mr. Hubbard and L. Ron Hubbard, Jr then
14	L. Ron Hubbard, Jr., now Ronald De Wolfe
15	from the late '50s?
16	"A No, not to my recollection or
17	knowledge.
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1		"Q How about letters between Mr. Hubbard
2		and his son?
3		"A I don't recall specifically what,
4		but it's quite possible.
5		"Q That you would have given such
6		materials to Mr. Armstrong?
7	-	"A If if they appeared relevant
8		to his announced purpose, yes.
9		"Q How about premarital agreements
10		between Mr. Hubbard and Mary Sue Hubbard?
11		"A Well, I saw those but I don't
12		know whether Mr. Armstrong whether he
13		didn't ask specifically for them.
14		"Q Would it have been your
15		understanding that that was the type of
16		material you told him he could take?
17		"A Well, again, if it appeared that
18		that at the moment I don't see any relation,
19		but anyway, it didn't come up between us.
20		Q Personal letters between L. Ron
21		and Mary Sue Hubbard?
22		"A Mr. Armstrong didn't specifically
23		ask for any of those, didn't ask me for any of
24		those.
25		"Q If he had asked you for that,
26		would you have given it to him?
27		"A Well, that's an assumption which,
28		if it were not assumed it would depend on what

the circumstances were. You see, I don't --1 quite frankly, I haven't read all those 2 letters. And I don't know what's in them as I 3 wasn't going to use them and Mrs. Hubbard is 4 quite prolix in everything she wrote, going on 5 and on about minor details about the children 6 and so on. I didn't see any good reason if I 7 am not going to use them to read through all 8 that. There are page after page of these 9 letters. 10 How about letters between 11 Mr. Hubbard and Volney Mathison? 12 I don't believe I've ever seen 13 one. 14 You don't believe you have ever 15 seen any letters between Mr. Hubbard and 16 Mr. Volney Mathison? 17 "A Let me put it this way: I don't 18 recall having seen any letters between them. 19 It doesn't mean that they didn't exist or I 20 didn't have them right under my hands, but I 21 don't recall them. 22 "0 How about correspondence between 23 Mr. Hubbard and the British Home Office, 24 mid-'60s? 25 I don't recall specifically any 26 such letter. 27 "Q How about Mr. Hubbard's Naval 28

records? 1 "A Yes. 2 It was your understanding that 3 Mr. Armstrong was taking those? 4 Yes, yes -- well, not all of 5 them. They're quite extensive. Just selected 6 ones, I believe. 7 According to my notes -- these 8 notes, for your reference, are notes taken by 9 going through the documents that are under 10 seal. These are several hundred pages in the 11 court of such Naval records. 12 Well, all that I saw or had, I 13 returned. So whatever was in that. But I 14 remember there were a number of binders and 15 also one binder called -- maybe two binders 16 called 'Board of Investigation' which actually 17 related to his Naval experience. 18 Well, my question here is -- you 19 did, I know you had such binders. My question 20 here goes to your understanding of the nature 21 of the materials Mr. Armstrong was taking from 22 23 you. 24 "Was it your understanding that part of what he needed for his legal case were 25 Mr. Hubbard's Naval records? 26 27 I'm not quite sure. But I

believe I would have -- I don't -- let me

answer your question first of all specifically.

I don't recall any such discussion or

understanding, but had it arisen, I would have

weighed it in the limited context of my

knowledge of what his case was -- and I still

don't know what it is -- and if it had appeared

to me that it would have been helpful to him, I

would have been certainly agreeable to his

using it.

"Q Well, let me ask you a question:
You described your understanding of the type of
materials that Mr. Armstrong wanted which
basically had to do with the relationship
between Mr. Hubbard and the church.

"A Yes, especially with respect to control and so on.

"Q You were not prepared to give
Mr. Armstrong, if I understand correctly,
personal material that had to do with
Mr. Hubbard's personal life which might, say,
contradict other statements that had been made
by the church? These were not the type of
materials that you were providing to
Mr. Armstrong; is that right?

"A If I felt if they were not? That is a hypothetical question you are asking me because specifically, it didn't arise. But you are asking now for a --

"0 Well, actually, I am not asking a hypothetical question. I am asking for your 2 understanding. In other words, in terms of 3 what you thought you were giving and what your 4 understanding of what was being requested of 5 you was, it was not that you were being 6 requested for materials from Mr. Hubbard's 7 personal life that might contradict other 8 statements about his personal life that had 9 been made in another --10 " A Actually not, but I would have 11 provided those as well as --12 "0 No, no, no. That's not my 13 question. My question is not what you would 14 have done. My question is did you understand 15 that you had agreed or did you agree to 16 actually provide such materials? 17 I'm still somewhat in the dark as 18 to what the question is. 19 "0 Okay. I'll try again. 20 "Did you tell Mr. Armstrong that 21 it was all right for him to take whatever 22 materials he wanted related to facts from 23 Mr. Hubbard's personal life that contradicted 24 statements that the church had made about 25 Mr. Hubbard's life? 26 "A In a general way, yes; but 27 specifically, no. In other words, as I said 28

before, whatever, not knowing what his case was 1 or what they were working up, I said anything 2 that was necessary for his case, he could have; 3 but I constantly added the proviso that it be strictly limited to the legal case and to 5 protecting me and my material as a biographer. 6 And that was the only limitation that I set. 7 That's the only one." 8 THE COURT: We'll take a 15-minute break. 9 10 (Recess.) 11 12 MR. HARRIS: Your Honor, with your permission, may I 13 designate a switch hitter, Mr. Peterson? 14 THE COURT: Let the record show that counsel is 15 present. 16 Yes; you may continue on page 39, line 12. 17 Can you estimate the total bulk 18 of material that you had if you just gathered 19 it altogether? 20 "A Well, whatever I had, I returned, 21 I think. 22 "0 I know. 23 "A There are some exceptions, 24 perhaps, that I'm still looking for. 25 I understand. But can you 26 estimate for me how much material that was? 27

No better than you can. You've

1		seen it.
2		"Q I didn't see it, actually.
3		"A Well, maybe that's it. There
4		were in terms of binders there were
5		300-some-odd binders and then all the folders
6		and the tapes and loose documents and it's
7		still coconuts are still falling, as you see.
8		"Q How about letters between
9		Mr. Hubbard and his first wife or his second
10		wife? Did you understand that Mr. Armstrong
11		needed those materials for his case?
12		"A Did you say his first wife or his
13		second wife, or from both?
14		"Q Both.
15		"A I had no understanding with
16		respect to that at all.
17		"Q How about letters between
18		Mr. Hubbard and his mother?
19		"A No. I was not aware of
20		"Q How about Mr. Hubbard's diary
21	-	from the early 1940s, his journal?
22		"A Yes.
23		
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1	"Q How about a copy of the book Excalibur?
2	"A Yes well, I think, again,
3	with certain limitations, that it was not
4	to be disseminated and so on.
5	"Q How about a copy of Mr. Hubbard's
6	not really a copy but materials related to
7	the Alaska expedition?
8	"A I don't recall those one way or the
9	other.
10	"Q Now about materials related to
11	the death of Quentin Hubbard?
12	"A Those materials were provided to
13	me not by Mr. Armstrong but by Vaughn Young.
14	*Q My question is, did you understand
15	that those were
16	"A I didn't have any discussion relative
17	to those with Mr. Armstrong. I could have
18	because we talked about everything.
19	"Q Howabout materials related to the
20	divorce proceedings between L. Ron Hubbard
21	and Sarah Northrup Hubbard?
22	"A Yes.
23	"Q You felt that that was connected
24	to the question of Mr. Hubbard's control over
25	the church?
26	"A Yes, partly, yes. They were
27	spelled out in there, I believe, some of the
28	statements made that would definitely so to that

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"Q	How	abo	out	Af	arious	mate	erials	that	are
dispato	hes	of	Mrs		Hubba	rd?			

"A I've got loads of them, but
not in this context; they're from previous
books. I don't offhand recall any dispatches
from Mrs. Hubbard other than her letters,
correspondence, memos to help me, and so on.

*Q You had several binders, I believe, didn't you, that were specifically on correspondence between Mr. and Mrs. Hubbard?

By which I mean Mary Sue Hubbard.

"A I have a great number of them; as I said, hundreds of pages.

"Q Did you understand that Mr. Armstrong was taking those from you?

"A I don't -- I'm not sure. At the moment I don't recall our discussing it or my saying, 'Take these.' I think it was -- you see, you are assuming that I looked at every document he took.

"Q No, I'm just asking, I am not making any --

"A That would assume that I examined every document that he took. No, in this instance I did not specifically say, 'Take these documents.'

"Q You like Mr. Armstrong, don't you?

"A Very much.

1	"Q You consider him a close personal friend?
2	"A Yes.
3	"Q And on many occasions you've gone
4	out of your way to help him out as best you
5	could?
6	"A Yes, I have.
7	"Q How about poems of Mr. Hubbard?
8	Did you understand that Mr. Armstrong would be
9	taking materials of that nature?
10	"A Did you say 'poems'?
11	"Q Yes.
12	"A No, I can't although much
13	of Mr. Hubbard's prose could fall in that category.
14	No, I don't specifically."
15	Going down to line 27:
16	"Q All right. We're continuing
17	the deposition," actually just going to the
18	next page
19	"Let me spend a few more minutes on
20	the materials that you had. First, I may have
21	asked you and so tell me I sometimes lose
22	"The materials that were given to you
23	by Mr. Armstrong I am referring now to
24	when he was archivist were for your use
25	only; is that correct?
26	"A Well, it was never spelled out
27	what it was for, but my assumption was that
28	it was for the purpose of the biography.

1	"Q Well, you would not have felt free,
2	would you, to disseminate/third persons?
3	"A Well, I would not have done under
4	any circumstances.
5	"Q And would it be fair to say that
6	based on your experience you indicated that
7	you had written three previous books that
8	related to the subject of Scientology that
9	the materials that were provided to you
10	an arrangement that you had were based upon
11	a good working and amicable working relationship
12	between you and the church?
13	"A Yes, it was.
14	"Q Going to the time when after
15	Mr. Armstrong had left, you've described the
16	discussions or some of the discussions, at
17	least, that you had with him concerning his
18	obtaining certain information. Was it
19	your understanding that the sole purpose for
20	which he was getting these materials from
21	you was for use in his case as you have described?
22	"A Yes.
23	"Q It was not for use in working on
24	the biography that you were working on?
25	"A You mean a biography separate from
26	the one I was working on?
27	"Q No, no. When the materials that he
28	obtained from you, copies of which he obtained

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from you, he didn't get those as part of assisting you on the biography; right?

This was a separate --

"A This is partly true. At times, remember, he was still assisting me after he left the church. And at times he did have documents that were related to the biography that he was helping me with. So --

"Q But I'm referring now to when he requested of you to make copies --

*A No, no. It had no relation to that, no.

"Q As he would take materials from you, would you discuss with him what he was taking, or did he have free access to the material?

"A He had free access to the material because he was still assisting me.

"O Where were the materials?

"A Well, at different times they
were different places. At first after he
left the church -- as you know I maintained a -I had a flat in Costa Mesa and the materials were
all there.

"After the -- after the difficulties began between him and the church, in other words, when they started harassing him, and he felt that he had to counsel, I'm not quite sure whether -- yeah, I'm sure that I still had

them in the flat in Costa Mesa, and he was still assisting me, so he had access, but with my permission to the materials.

"Q Most of the materials were there at your flat in Costa Mesa?

"A They were up to the time that the difficulty began where they started having -- approaching him in the parking lots and that sort of thing. And then I felt that security was involved and that they might -- as a matter of fact, Jane Kember, the former head -- the former Guardian had a key to my flat. So there was a matter of security at that point that entered into it."

Your Honor, I am going to move to strike the part of that response that says "approaching him in parking lots and that sort of thing" as being based on hearsay which is not an objection that has to be made at the deposition.

THE COURT: Well, I assume he'd say he was told that by Mr. Armstrong. It will be limited to that purpose, keep the context of what we are talking about.

MR. LITT: (Reading):

- "Q So, were the documents moved from Costa Mesa?
 - "A Yes, they were moved from Costa Mesa.
 - "Q Where were they moved to?
- "A Part of them were moved to Utah, and part of them I moved too, to the home of a

friend of mine, Bill Crago.

*Q Do you remember approximately when this move occurred?

"A I can only -- in relation to -- I can't give you an exact date, but it was -- it would be approximately at the time that the litigation between the church and Mr. Armstrong began.

Which was some months at least "Q 1 after Mr. Armstrong--2 " A Yes, yes. 3 "Q -- had left the church? 4 "A Yes. 5 "0 So for maybe six months or so --6 I would guess approximately May A 7 of 1982. 8 So for the six months from "0 9 December '81 until May of '82 they were in a 10 flat in Costa Mesa? 11 Not the entire time. Part of the 12 time Mr. Armstrong -- I paid rent on an office 13 for him to answer the telephone for a 14 corporation, Ralston-Pilot. And during that 15 time the documents were moved from time to time 16 because for security reasons. 17 "I was about to explain to you 18 that Jane Kember, who was formerly head of the 19 Guardian's office had a key to my flat and I 20 didn't want them, the Church of Scientology or 21 its representatives, to come in and simply take 22 all my documents." 23 MR. LITT: I'll move to strike that as nonresponsive, 24 Your Honor. 25 THE COURT: Oh, I'll leave it in. 26 "0 Let me explain --27 "A That's why they were moved. 28

"0 That's fine. That's not my 1 question. 2 What is your question? "A 3 "0 My question is, simply, am I correct in saying that the materials were in 5 your Costa Mesa flat from approximately 6 December '81 or earlier -- but I am referring 7 now to the period of time that Mr. Armstrong 8 had left -- from approximately December '81 to 9 about May of '82? 10 No. Part of them during that --11 I'm not quite sure. But part of them during 12 that time could have been moved to --13 As of Mr. Crago or to Utah? 14 No. Or to the Ralston office. "A 15 "0 Okay. And approximately May of 16 '82, whenever --17 "A I closed the flat and --18 And you at that time moved all of 19 the materials either to Mr. Crago's home or to 20 your home in Utah? 21 "A Right. 22 "0 What proportion of the materials, 23 as best you can say, would have been with 24 Mr. Crago? 25 "A Well, the material that was in 26 Mr. Crago were actually copies. The original 27 binders that I had, I took all of them with me. 28

Now, the material that was with Mr. Crago was 1 never the original binders that I had received 2 from Mr. Armstrong. They were copies which 3 were made as an insurance against the 4 representatives of the Church of Scientology 5 stealing the original binders." 6 MR. LITT: Motion to strike that, Your Honor, 7 that last sentence. 8 THE COURT: I'll leave in "they were copies which were 9 made as an insurance." The rest of it will go out. 10 I'm not asking you why. I'm just 11 trying to get what was where. I'm not asking 12 you for your reasons. 13 "A All right. 14 "Q Okay. Your reasons, I'm not 15 concerned with. I'm just trying to get at the 16 physical location. 17 "A I understand why you are not, but 18 okay. 19 "0 So you had a duplicate set of 20 materials? 21 "A Not all of them. 22 "0 But a substantial --23 "A Yes. 24 "Q What Mr. Crago had was a 25 substantial duplication --26 Yes. Certain documents that we 27 felt were --28

"Q Important?

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"A Important -- to my biography, not to anyone else. That I'd be left high and dry if I didn't have these to support the

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biography.

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materials that you felt were particularly

So Mr. Crago's materials were

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important for the biography?

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"A Right.

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"Q Now, were there materials of

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Mr. Armstrong's that were also stored at

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Mr. Crago's?

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"A I have no idea what Mr. Armstrong

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stored at Mr. Crago's other than I know what was there when I went to retrieve it. There

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was material which I had not stored and I

16 17

assume this was some that Mr. Armstrong had

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stored there.

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"Q When did you retrieve the

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materials that you had left with Mr. Crago?

I can date it only, again, by

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reference that it was a short time before

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Mr. Crago's deposition was taken. By 'short

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time,' I mean a matter of the previous two

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months, in that time period. I don't know for

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deposition, you know it was within the previous

27 28

two months that I had taken the material.

certain. But if you know the date of his

1	"Q So roughly around the end of
2	1982, roughly?
3	A No. You took his deposition
4	later than that. You took it much later. It
5	hasn't been too later.
6	"Q So you think it was sometime
7	early in '83, this year?
8	"A I could be wrong, but I believe;
9	that's my impression.
10	"Q So far as you were aware were the
11	materials that were left with Mr. Crago
12	materials that Mr. Armstrong needed for his
13	suit?
14	"A As I said, the materials left
15	with Mr. Crago were partly those that I had
16	stored there and partly those which
17	Mr. Armstrong had taken later. So
18	"Q I'm referring to the ones you had
19	stored there.
20	"A Some of them were related to the
21	case, yes, but not all. But I think most of
22	them.
23	"Q You think most of them were?
24	"A I believe so.
25	"Q What proportion of the materials
26	that you had did you understand were relevant
27	to Mr. Armstrong's case?
28	"A Not knowing Mr. Armstrong's case,

I'm unable to say. I don't know his case. I don't know it to this day. So I can't tell you what's related to it. I don't know what Mr. Armstrong's claiming legally. I've never seen any of the legal documents. So I can't tell you --

"Q Well, he came to you, you testified, and said, 'I need some things for my case'?

"A Yes.

"Q And you, being sympathetic with him, basically agreed to give him what he needed. At the same time you've indicated that you did not agree to give him everything --

"A No.

"Q -- is that correct? And you did not agree to give him materials that were important, in your judgment to the biography, especially that which could be used by other writers; correct?

"A Well, that's not true in exactly the way you say it. I was willing for him to have any material that he needed with the proviso that it was not to be disseminated beyond the legal arena. That was my only restriction. I was protecting my own material.

"Q Now, my question you is, in terms of -- I'm not asking for your knowledge of the

law as such. I'm asking for your state of mind. In terms of your understanding of the materials that you had, what percentage did you understand were potentially relevant to Mr. Armstrong's case?

"A I had no idea. Again, I come back to how could I know? I knew -- you see, my concern, as I am trying to get it across, is whatever was necessary in the preparation of a legal case to me was one thing. But to disseminated it beyond the legal arena to other writers or even to the media or to anyone else whatsoever, I was very much opposed to and reiterated this particular restriction over and over. It's the only one I ever imposed. And it was a general one where the judgment had to be left to someone who knew the case. I didn't know it.

"Q But you've told us that you believed that, in general, the types of materials that he needed were those that related to Mr. Hubbard's connection with the church --

"A Yeah. But --

"Q -- or control over the church?

"A Yes, true.

"Q Give your description of the type of material you understood that he was

interested in, what percentage of that 1 material, in your opinion, would have fit into 3 that category? "A That's a difficult question. You 4 5 are asking for conclusions that presuppose a knowledge of their case and of what they were 6 7 seeking to prove. "0 I'm not asking about the case. 8 No, no, no. I'm asking about --9 "A Well, how could I form such a 10 11 judgment? "Q Given the standard that you've 12 13 explained to me -- forget the case for a moment. Given the standard that you've 14 15 explained of materials related to Mr. Hubbard's 16 connection to or control over, if you will, the church --17 18 "A Yeah. 19 "Q -- what percentage of the 20 materials that you had approximately would be in that category? 21 22 Offhand, I couldn't estimate. But it would be a considerable -- it would be a 23 24 major portion of the materials. If -- if I 25 were a clever attorney, it would be a 26 considerable portion. 27 "0 Now, sometime in approximately

May of 1982 you had a meeting with some -- I'll

use a general phrase -- with some 1 Scientologists in connection with 2 re-negotiating your biography contract, which 3 re-negotiation was unsuccessful; is that right? "A I would say so. 5 Now, after that point, as I 6 understand it, you continued to work on a 7 biography of Mr. Hubbard? 8 "A I did. 9 "Q At that point it was your view, 10 if I understand it correctly, that you were no 11 longer working pursuant to the contract which 12 we've referred to earlier; is that correct? 13 "A That's correct. 14 "0 And essentially, from 15 approximately May of '82 on, you were writing a 16 biography, not to submit under the terms of 17 that contract, but to submit to a publisher for 18 potential sale? 19 " A That's correct. 20 "0 So that for approximately the 21 last year, your work on the biography has not 22 been to ultimately publish a biography to be 23 24 published by --Not an -- let's say not an 25 approved biography. 26 "0 27 Not the one that was contemplated

in the contract?

"A Not the one envisioned.

"Q And not to be published by the publisher that you had signed that agreement with?

"A No."

MR. LITT: Can we have that marked as plaintiff's next in order, Your Honor?

THE COURT: 22. All right.

This is what was exhibit 2 at the deposition, counsel?

MR. LITT: Yes, Your Honor.

MR. FLYNN: Your Honor, this brings up a very important matter. And that is that this is not the entire settlement agreement. And Mr. Litt has refused to give us the entire settlement agreement. He is appending merely a portion of it.

MR. LITT: It is not a portion of it.

THE COURT: I don't know why we have to worry about it at this moment. The only reason for it is that this is to preserve and understand what was done at the deposition.

Now, at some point in time if you want to make a motion with reference to something else, we'll consider it in due course. But at this point we are trying to recreate the deposition that was conducted here. And this is, I assume, what was presented at that time.

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MR. FLYNN: I'd just like to have the entire settlement agreement made available to me so I could review it.

THE COURT: Well, let's do this first. It is going to take some time.

MR. LITT: (Reading:)

"Q Mr. Armstrong, I am handing you Exhibit 2 --

"A You are handing it to me.

"Q Yes, I'm sorry, Mr. Garrison.
The names fly around a bit.

"Can you take a look at that and tell me if you recognize it?

"A That's my initials that appear at the bottom of each page. I assume that's the one that I have read and signed.

"Q Well, let's look at that more closely.

"A Any particular paragraph?

starters is for you to look at it and tell
me if this is an agreement entered into
between you on behalf of yourself and on
behalf of Ralston-Pilot, on the one hand,
and New Era Publications, on the other hand,
which is a public statement of a settlement
agreement that has been reached with respect
to the October 1980 contract and with respect

to any potential biography to be written by you of L. Ron Hubbard?

"A I fail to see where it's related to the case of Gerry Armstrong and the Church of Scientology."

I can read the rest of that page in, but it is a colloquy about why this is relevant.

THE COURT: Do you want it, Mr. Flynn?

MR. FLYN: No, it is not necessary, Your Honor.

MR. LITT: Beginning at the top of page 55:

"Q So we still need you to identify that document.

"A I do identify it as one that I've signed on the proper date.

"Q You entered into this agreement having been represented by counsel; is that correct?

"A Correct.

"Q And you entered into the agreement with New Era Publications as a subsequent name for the publisher that you had originally entered into the October 30, 1980 agreement with; is that correct?

"A No, that is not correct. I entered into it as an agreement with New Era Publications. I don't know whether it's a successor or not a successor. I never had any indication that it was.

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"Q Well, if you read line 11 of the agreement, you will see that it says this is a --

"A Yeah, I see what it says, but I don't know whether that's true or not.

"Q But you signed the document --

"A I signed it as it's written.

But as to whether I knew Era is a legitimate successor to Publishers DK, I'm not
competent --

"Q I'm not asking you to express an opinion on that.

"A No.

"Q That was your understanding --

"A Yes. That's right.

"Q -- on the basis of which you negotiated the agreement?

"A Yes. Not an acknowledgement that it was in fact a successor.

"Q And as part of this agreement, you have agreed that you will not publish a biography of L. Ron Hubbard, and you are not working on any biography of L. Ron Hubbard either under the October 1980 contract or on any other basis?

"A Correct. Correct.

"Q And you are in fact not currently working on any such biography?

"A I am not.

"Q And also as part of the agreement, you delivered to the Church of Scientology International all of the documents and materials which had been provided to you by Mr. Armstrong in connection with your preparation of that biography?

"A With the exception as spelled out in the original agreement there, that there may be some still outstanding that I have to locate.

"Q With respect to those that are outstanding --

"A Let's define it more carefully: That there are none that I
currently know specifically of, and if
they should turn up, they will be promptly
returned, and they will not be passed on
to a third party."

Your Honor, why don't I give this to
Mr. Peterson and he can give it to the Court so you will know
what is being referred to.

THE COURT: All right. Exhibit 22.

MR. LITT: (Reading:)

"Q And you currently make no claim to possess any of these --

"A None whatsoever.

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"0	-	materials	?

"A None whatsoever.

"Q Was Mr. Armstrong ever your agent with respect to possession of these materials?

"A I don't know what you -- if
you would define 'agent,' I could tell you.
Is it in a legal sense or --

"Q Well, let's take it in a lay sense. When I spoke with you on this subject once before, I believe you told me that as far as you were concerned Mr. Armstrong was not then and has not been your agent.

"A Not in the sense that I understand the word 'agent,' no. In other words, he was not acting legally on my behalf.

"Q With respect to the materials that had been provided you in connection with the preparation of the biography, was it your understanding that any of these materials were ever personal property of Mr. Armstrong?

"A The question never arose, and I never gave it any consideration one way or another.

"Q Was Mr. Armstrong acting in providing you with the materials in his

1	capacity as the archivist for the Church
2	"A No.
3	"Q in providing you the
4	materials?
5	"A No. He was providing me
6	he was acting directly as the representa-
7	tive of L. Ron Hubbard it was my under-
8	standing.
9	"Q You told me that he was the
10	archivist.
11	"A That's right, but he had
12	you must realize the archives belonged to
13	L. Ron Hubbard, not to the Church. The
14	Church never had possession of the
15	archives, in my opinion, if you are asking
16	for my opinion.
17	"Q Well, I'm not asking for your
18	opinion.
19	"A Well, it seemed to me that you
20	were.
21	"Q No, no, no. He had the title
22	of archivist; right?
23	"A Yes, for L. Ron Hubbard.
24	"Q No. Mr. Garrison, when I went
25	through with you before, you told me you
26	didn't know what he was the archivist of;
27	do you remember that this morning?
28	"A Well, no. But it's my understanding

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I said I didn't know --

"Q No. My question -- let's just take the title 'Archivist' --

> HA Yes.

OH -- okay? In his having access to these materials --

> "A Yas.

0" -- he provided them to you in his capacity as archivist; is that right?

> "A Yes.

P Was there anything that indicated that he personally had the independent right of possession of these apart from his position as archivist?

> HA No."

MR. LITT: There is an objection.

THE COURT: Well, I will overrule the objection.

Yes. Well, again, it is a conclusion. You said is there anything indicating that, and my answer is -- you see, we're going round and round, but we could resolve it very simply by my telling you that from the very outset, including my first meeting Mr. Armstrong in East Grinstead in Mr. Gaiman's office, he was represented to me as a person who was putting together all the private papers and materials of L. Ron Hubbard for possibly

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13.8	1	not only the biography but a museum.
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		"Q A church museum?
	3	"A I don't know whether a church
	4	museum or not. That's your interpretation.
	5	"Q A Scientology Museum?
	6	"A No; an L. Ron Hubbard Museum,
	7	because it had nothing to do with the
	8	church per se. The church would enter
	9	into it
	10	"Q Who is Mr. Gaiman?
	11	"A David Gaiman? He was the
	12	assistant and later Acting Guardian
	13	Worldwide.
	14	"Q A church
	15	"A The one
	16	"Q A church position?
	17	"A Yes, it's a church position,
	18	but representing Mr. Hubbard as well, I
	19	assume. In other words, the only attorney
4	20	that I ever dealt with in this case in the
	21	contract or legally
	22	"Q No, no. You don't even have
	23	a question pending. I'm going to move to
v.	24	strike that.
4	25	"A All right."
2	26	
	27	THE COURT: It will be stricken.

MR. LITT: Your Honor, Mr. Garrison keeps talking. 1 I'm going to go down to line 13. 2 MR. FLYNN: Fine. Your Honor. 3 MR. LITT: (Reading): "O Let me go back to one other 5 question about the documents. Now, you 6 indicated that you were not certain of the amount 7 of documents --8 A 9 -- which were taken by Mr. Armstrong. 10 You also indicated that you thought you had 11 approximately five feet of documents total. 12 "A I would quess, yes. 13 Let me give you one or two figures. Was it your understanding that Mr. Armstrong, 15 in putting together the materials that he was 16 putting together, that he was getting from you, 17 would have more than a thousand pages of documents 18 that he obtained from you? 19 "A There was no understanding with regard 20 to amounts. 21 "O Two thousand pages? 22 No. There was no -- there was 23 never any discussion of the number of pages 24 25 at all. 26 If I told you that the materials 27 that Mr. Armstrong had in his possession that were turned over to the court --28

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"A I	he.	ones	under	seal,	you	mean
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*Q -- the ones under seal were of the the same bulk that you've described, that is, approximately five feet or more --

"A Uh-huh.

"Q -- would that indicate to you that that was a greater amount of material than you had understood he was taking from you?

"A Not necessarily. Because, again, I haven't the foggiest notion of what is under seal in the court.

"Q I understand that. I'm just asking --

"A I'm not sure they're the same documents. But if you are just talking about putting a yardstick on it and measuring, well, possibly. I don't know the amount. I don't know the identity.

"Q I'm not asking the amount or the identity.

"A What is the question, then?

"Q All right. We'll try it again.

"Let us presume for purposes of this question, okay, that there are five feet or more of documents that Mr. Armstrong took from you; okay? You don't have to comment on whether that's accurate. Just assume that --

"A I have not said that.

"O I understand that.

MQ.

Mr. Garrison, when did you first

(0.5)

have contact with the Church of Scientology?

"A My first contact with the Church of Scientology was when -- and this is a guess -- probably in 1971. At any event, it was when -- shortly after the publication of a book of mine called "Spy Government."

"Q Were you approached by the Church of Scientology, or did you approach them?

"A I was approached by the Church of Scientology as a result of this particular book; because in the book, which is concerned with the illegal activities of government agencies with respect to individuals and organizations, I mentioned in two or three, maybe four pages the incident of the FDA raid on the Church of Scientology in Washington, DC and this was what brought representatives of the Church of Scientology to me to tell me that they had a bigger story than the raid and they would like to submit it for my examination.

"Q Was/their intention that you write another book or something --

"A Yes. I found eventually it was their intention; that they had material which had been ignored by the establishment media and they wanted me to see all the materials and see if -- examine them and see if what they said about the illegal incursions into the church were

in fact true. 1 Did some type of publication result from this first meeting? 3 Yes, it did. It was a book called The Hidden Story of Scientology. 5 And that is the first book that you mentioned when you listed those books that 7 you had written about Scientology? MA Yes, there was. 9 0 With respect to these three books 10 that you wrote regarding Scientology did you also 11 enter into contracts for their publication? 12 Enter into contracts with whom? 13 0 With the Church of Scientology. 14 15 "A Yes. But not for the publication, 16 but for the writing. I was to provide my own 17 publisher. Simply that they would provide me 18 with materials for the writing of the books. 19 "There was no agreement -- I might 20 add there was no agreement in this contract 21 to write the books for any monetary remuneration 22 from the church as such; simply just that they 23 were going to support it with presumably large 24 membership of readers. 25 "Q Do you remember who you contracted 26 with for The Hidden Story of Scientology, what 27 entity of the Scientology Organization?

I believe -- and don't tell me

"A

just because it's off the top of my head --1 and it was an organization called -- and this might have been the second one, not the first --3 Religious Research, Religious Research something. 4 Perhaps you know the name." 5 MR. LITT: Then there was a comment by Mr. Long: 6 "No." 7 "THE WITNESS: A Liberian corporation, I 8 believe. 10 "BY MS. DRAGOJEVIC: How about the book entitled 11 The Secret World of Interpol? 12 13 MA Similarly. You contracted with the Religious 15 Research Organization? 16 "A I think so. 17 OB And Playing Dirty? 18 "A Playing Dirty, quite frankly, I 19 don't recall. But it's quite likely it was the 20 same. In other words, they were all church 21 entities, at least that was my understanding. 22 Did you ever deal with Mr. Hubbard 23 with respect to any of these three publications? 24 A TE Not contractually. After the 25 publication of -- after the publication of 26 Hidden Story which was first published in 27 England by Arlington Books and later in this 28 country by Lyle Stuart or Citadel Press,

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Mr. Hubbard was very pleased with the book 1 itself. And he sat down and wrote me a letter 2 and included a check for a thousand dollars 3 which he said was a bonus because of the work 4 I had done. 5 10 O But if I understand you correctly, 6 you were never paid pursuant to any contract for 7 any of these three books; is that correct? 8 Well yes. I was paid, but in a --10 as an advance on a purchase of books. So they --11 in other words, the church organization was 12 not out of pocket; on the contrary, they 13 bought books and made a profit through their 14 own book shops. For the money advanced, they 15 received a certain number of books which they 16 in turn sold. Last time I heard, they were 17 selling for some enormous prices in their 18 book shops. 19 "Q Have you ever been a member of the 20 Church of Scientology? 21 "A I never have. 22 Were you provided with documentation 23 for the writings of any of these three books 24 that we have just discussed? 25 I was provided with extensive "A 26 docmentation for all three. If you want to 27 put it in the same terms of how high were they, 28 in my flat in London I would say there were twice

as many for Hidden Story as there were for 1 the biography because there I actually stacked them up against the wall. And they were higher than my head. "O What was the nature of the 5 documentation that was provided for the writing 6 of Hidden Story? 7 It included everything, starting with 8 1950 with the publication of Dianetics. And almost immediately after Dianetics was published, 10 there were letters from the AMA that went 11 out within a matter of weeks after publication; 12 13 letters that went out to all the doctors who were members of AMA attacking Hubbard and starting a 14 campaign against Dianetics. And then it 15 16 extended right up until the time of the 17 publication1 including all the legal documents, 18 the court hearings, the FDA." 19 THE COURT: You may skip that next comment. 20 Were you also provided documents 21 for the writing of Secret World? 22 As I said, in each instance I was 23 provided extensive and copious documents. 24 OM What type of documents were you 25 provided for the writing of The Secret World 26 of Interpol? 27 Legal documents, correspondence, 28 transcripts of court hearings in Germany and

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elsewhere around the world and so on.

"Q What kind of correspondence?

"A There were correspondence, some of it, the correspondence, was between client and attorney with the attorneys in Germany and so on.

"Q What type of documentation were you provided for Playing Dirty?

"A At this time this was a case -- I was provided all the material that was obtained by discovery relating to the FBI raid; I was provided entire file of transcripts of all the court hearings before Judge Ritchie. And amusing, however, they were a little more interesting. I'll say that everything heard before Judge Ritchie had a certain carnival air that at least provided some amusement not ordinarily found in court transcripts. At one point Judge Ritchie got off the bench, laid down full length in his judicial robes on the floor, which I think is an unusual circumstance.

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from Mr. Hubbard in which he indicated that he was pleased with the publication and gave you a check for a thousand dollars, have you had any other communi-

"A I've had communications, many of them represented to be from Mr. Hubbard and signed by Mr. Hubbard, but which I believe came from SO-1.

cation with Mr. Hubbard over the years?

"Q Why do you believe they came --"
THE COURT: Are you making a motion to strike?
MR. LITT: I will let that stand.

MR. FLYNN: (Reading:)

"Q Why do you believe they came --

"A You can say at least that I have received communications ostensibly from Mr. Hubbard.

"Q Why do you believe they are from SO-1?"

MR. LITT: Your Honor, at this point there is a whole colloquy here about his belief on SO-1. I mean, I let some of the beginnings come in, but I don't think it is relevant, and it is all conclusions, basically, through page 69.

MR. FLYNN: I think it goes to his state of mind.

MR. LITT: What does his state of mind have to do
with anything?

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MR. FLYNN: He believes he was dealing with Mr. Hubbard as he says on lines 5 to 7 on page 69.

THE COURT: Well, I am not really sure of the significance of this in the total picture. But it deals with -the question was asked whether he had other communications
with Mr. Hubbard, and he said he had many of them represented to be from Mr. Hubbard and signed by Mr. Hubbard,
and which I believe came from SO-1. And then, I guess, he
goes on to explain, try to explain how he came to that
conclusion.

I think I will let it in. I am not sure that it has any great evidentiary value, but it may shed some light upon his later answers or testimony he may give in this case.

MR. FLYN: So the next question is:

"Q Why do you believe they were from SO-1?

"A The information that was developed during the course of the writing of the biography indicated to me that Mr. Hubbard was not answering correspondence either directed to him or that was presumably originating with him. And having had — having interviewed some of the people who were in charge, it was indicated to me, also, that they were even intervening in Mary Sue Hubbard's letters to her own husband and extracting portions

before they passed on the correspondence."

MR. LITT: Your Honor, I am going to move to strike at least that portion. That is clearly hearsay, and I don't think it goes to any state of mind.

THE COURT: Well, it is his statement with reference to his communications with Mr. Hubbard.

MR. LITT: No, no.

THE COURT: He finally comes to a conclusion that SO-1 has a full discretion as to correspondence with Mr. Hubbard.

MR. LITT: Yes, and he says somebody else, not
Mr. Hubbard or not any SO-1 communication, somebody told him
something about the fact that SO-1 was doing this, that and
the other thing.

THE COURT: On second thought, I will agree with you.

It is really getting out into left field. Pretty much

hearsay, so we will strike --

MR. FLYNN: Your Honor, I'd just be concerned with the last sentence between lines 5 and 7 on 69. Whether the other portion goes out on Mary Sue Hubbard, I don't care. She's already testified she didn't think her correspondence was getting to him. But his understanding as to whether or not SO-1 -- "So, SO-1, it appeared to me, had the full discretion as to correspondence with L. Ron Hubbard."

I think that goes to the state of mind as to who he believed he was dealing with. He believed he was dealing with Hubbard.

THE COURT: All right. I will strike the portion

that deals they were intervening in Mary Sue Hubbard's letters to her husband and extracting portions. That is on lines 2 through 5 on page 69.

So we will go on.

MR. FLYNN: (Reading:)

"Q What does SO-1 stand for?

"A Standing Order 1, I believe.

up, it's my understanding, to answer -after all, L. Ron Hubbard couldn't possibly
answer all the volume of correspondence
that came in to him; it's humanly impossible.
And they had certain -- his own family had
certain stickers on letters so that they
could reach him through SO-1 or through
these channels, that they wouldn't be
diverted into -- they would reach him
personally.

"Q Could you tell . . . " -THE COURT: Skip down to line 24.

MR. FLYNN: (Reading:)

"Q With respect to the materials which you've indicated that led you to believe that Mr. Hubbard was not writing his own correspondence --

"A I was told that by -- I was told that by responsible representatives of the Church."

15.6	1	"A Only very briefly many, many
,	2	years ago when Dianetics first came out.
	3	And I did a newspaper series on Dianetics
	. 4	here in Los Angeles, which again is a
	5	matter of record.
	6	"Q Can you recall what year that
1.319-4	7	was?
	8	"A 1950 when Dianetics came out.
	9	"Q Was that the first and last
	10	time you have ever seen the man?
	11	"A Yes.
	12	"Q Were there any other publi-
	13	cations after PLAYING DIRTY other than your
	14	writing of the biography?
	15	"A Relating to Scientology?
	16	"Q Yes.
	17	"A No.
	18	"Q And when was PLAYING DIRTY
	19	published?
	20	"A I believe 1980.
4	21	"Q Have you ever written any other
4	22	biographical sketches of Mr. Hubbard?
	23	"A Never.
	24	"Q Have you ever written
4 .	25	"A A part wait a minute. I
,	26	
÷	27	would correct that. I was provided with the usual Church biography, the official

biography which I included briefly in

another book of mine called the ENCYCLOPEDIA OF PROPHESY, but this is repeating all the falsehoods that they have propounded over the years. It wasn't my original material."

MR. LITT: Your Honor, I moved to strike that at that time and still move to strike it.

THE COURT: All right. Everything after "ENCYCLOPEDIA OF PROPHESY" in that one sentence will be stricken. The last sentence can remain.

"THE WITNESS: Anyway, the ENCYCLOPEDIA OF PROPHESY.

"Q When you say that you were provided with a Church biography, I assume that you put an LRH biography into the ENCYCLOPEDIA OF PROPHESY; is that correct?

"A Yes.

"Q Was there something that you wrote yourself or --

"A Something I wrote myself
based on material provided to me by Sue
Anderson, who was his official PR Personal
Public Relations representative at the
time. I had no reason to believe that it
wasn't completely true."

MR. LITT: I am going to move to strike that last sentence.

1 THE COURT: I will deny the motion. 2 MR. FLYNN: (Reading:) 3 When were you first contacted "0 4 with respect to the biography of 5 Mr. Hubbard? 6 It was approximately two 7 years previous to the signing of the 8 contract. Who contacted you? "0 10 MA David Gaiman -- sorry, first 11 Sue Anderson. 12 And who did she represent? "0 13 She was Mr. Hubbard's personal --14 they call it Pers Pro, Personal Public 15 Relations representative. 16 "Q What did Miss or Mrs. Anderson 17 request of you at that time? 18 She sent me some correspondence "A 19 saying that she had submitted this idea to 20 Mr. Hubbard, and he said, 'Wonderful, good 21 news. Omar is a very good writer.' So it 22 was passed on to Mr. Hubbard -- I am sorry, 23 to Mr. Gaiman to deal with me as he had 24 been the intermediary for the previous 25 books. 26 "And I was very reluctant to 27 do it, and I rejected the idea on the basis 28 that they wanted what in the trade we call

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a 'puff,' that is, a laudatory sort of eulogy, and I was unwilling to do that.

I felt that a biography -- well, I'm an honest reporter, and I felt that they would take out, they would eviscerate my copy because they would take out everything that they regarded as 'entheta' or unfavorable to him.

MR. LITT: Your Honor, I move to strike after 1 Mr. Garrison's first sentence in that response as nonresponsive. THE COURT: I'll deny the motion. 0" Mr. Garrison, what was it that 5 made you believe that the representatives of 6 the church wanted a -- what you called a 'puff' 7 8 on L. Ron Hubbard? 9 Because I had by this time read 10 all their official biographies and had begun to learn from other sources that they were not 11 12 accurate and that they were laudatory. And the 13 very term 'puff' comes from Hollywood. means to blow up or exaggerate. They used to 15 do it for stars, change their ages or whatever 16 in order to give them a public image. And I'm 17 not an image maker. 18 "0 Who did you have these 19 discussions with? 20 " A I had them with David Gaiman. 21 Jane Kember; I had them with every 22 Scientologist virtually that I came into 23 contact with." 24 MR. LITT: I'll reply verbally where I want to 25 object, Your Honor. 26 THE COURT: I guess I'll rule. I'll deny the motion. 27 "0 What did they say to you in 28 substance regarding what they --

1	"A Well, they
2	"Q Let me finish regarding what
3	type of biography you were to write?
4	"A It doesn't call for hearsay
5	because I have"
6	THE COURT: Go down to line 26.
7	"THE WITNESS: Let me say this. This is
8	all spelled out in correspondence. I have
9	letters, long letters answering my objections,
10	saying in substance 'we don't expect you to
11	write a puff.' Indeed, we want you to write an
12	honest biography. This was back and forth.
13	And ultimately on that basis I agreed that I
14	would do it and it would be a straight-forward
15	honest account.
16	"Q That was your understanding of
17	"A That was my understanding. And
18	that is as a matter of fact their understanding
19	so far as their correspondence to me is
20	concerned.
21	"Q Do you still have possession of
22	that correspondence?
23	"A I do have, yes.
24	"Q Specifically, who was that
25	correspondence from?
26	"A The at various times the long
27	eventual, shall we say, summary letter from

Sheila Gaiman, who was acting for her husband

David, acting officially. David had gone to 1 France to sort out this, a certain legal case 2 they had there. And she was officially acting 3 in his capacity. 4 "Q Do you recall the approximate 5 date of that letter? 6 I don't know. But in looking for 7 materials to return, I saw it as late as last 8 week. 9 "0 Did you keep that in a specific 10 file? 11 "A Yes. 12 "0 Does the file have a name? 13 "A It would be -- it was in the 14 file. I had moved it from the correspondence 15 file into a file called the 'biography-legal.' 16 This is because I thought I might need it with 17 respect to the instant case. 18 "0 Can you recall how long these 19 initial back-and-forth negotiations --20 "A Two years. 21 "0 -- took? 22 " A Sorry. 23 "0 This correspondence with 24 Miss Anderson and the Gaimans and various other 25 Scientologists took approximately two years? 26 "A Uh-huh. 27 "0 28 Is that 'yes'?

1	"A Yes.
2	"Q After this two-year period was it
3	then that you entered into the October 1980
4	contract?
5	"A Yes. As I said, upon their
6	agreement that I could, shall I say, tell the
7	truth.
8	"Q Did you go to England for the
9	purpose of entering into the contract?
10	"A No. I spent a lot of time in
11	England. We live there off and on.
12	"Q Was there a specific reason that
13	you did go to England in October of 1980?
14	A I didn't go to England in October
15	1980. In October 1980 the contract was signed
16	here in Los Angeles.
17	"Q I'm sorry. Who was present when
18	the contract was signed?
19	"A Larry Brennan. Isn't his name
20	'Brennan'? Laurel Sullivan. I don't know
21	whether Wertheimer I think at least he
22	drew it up, so I assume.
23	"Q Is that
24	"A Alan Wertheimer.
25	"Q Anyone else present?
26	"A There could have been, but I
27	don't recall. I don't recall.
28	"Q I believe that you testified

earlier that you first met Mr. Armstrong in 1 East Grinstead sometime before this contract 2 was signed? 3 "A Yes. A couple of months, at 4 least, before. 5 "0 What was the purpose of your 6 being in East Grinstead at the time? 7 We were discussing the 8 possibility of my doing the book at that time 9 and finalizing any -- it was pretty well 10 decided I would do it at that time. 11 1º Q Was that just one meeting or a 12 series of meetings? 13 One formal meeting in David 14 Gaiman's office. And then Gerry made -- he 15 addressed a meeting. And I was present there. 16 So we talked informally. 17 "0 Had you had any other meetings 18 regarding your writing a book other than what 19 you've already testified to which would have 20 21 been the correspondence that went on for the 22 two-year period preceding the contract and this 23 one formal meeting that took place in 24 Mr. Gaiman's office? 25 "A And the answer is 'yes.' 26 "0 What were those meetings? 27 "A At the time that I was doing 28 Playing Dirty, I had occasion to meet with

Mr. Gaiman several times respecting material for the book. And he showed me a letter from Sue Anderson accusing him of dragging his feet about getting me to do the biography. So that sparked a discussion as to whether I would do it.

"0 Who was present at this first formal meeting with Mr. Gaiman in his office?

As nearly as I recall, I think Gerry Armstrong was there. Of course, Mr. Gaiman, Mr. Gaiman's secretary was -- whose name escapes me at the moment, a very attractive girl, too. But also I believe that Herbie -- what's his name? Herbie --

> " Q Parkhouse?

Herbie Parkhouse for part of the meeting was present. David called Herbie up with respect to, I think, some sort of financial arrangement. Herbie was the man who was known as the Flag Banking Office or whatever, Worldwide.

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"Q How long did this meeting last?

"A Oh, a couple of hours, and we repaired for lunch, and I think altogether about three hours."

MR. LITT: Your Honor, if I may, we object to the next approximately three pages which are essentially discussions at negotiation meetings, which are -- I am not sure what purpose they are introduced for, but I don't think they are relevant if it is for interpreting the contract. I don't really think it does anything to do that, and for any other purpose it is not really relevant.

Mr. Garrison wanders on a bit here and makes all kinds of statements about his feelings, about that he had bad feelings about this and that.

MR. FLYNN: I think, Your Honor, I don't necessarily request that some of the material on page 79 should go into evidence.

However, on page 80, I believe his feelings with regard to total disclosure regarding Mr. Hubbard's life was a very important consideration, and as Your Honor will see, a prerequisite of Mr. Garrison was that he be given total access to all of L. Ron Hubbard's personal files; and it was for this reason that he did request that, which goes to the issue of what he was entitled to have, and therefore what Mr. Armstrong was entitled to have.

MR. LITT: Your Honor, the issue in this case is what was done with it after it was given to Mr. Garrison.

MR. FLYNN: The issue is whether Mr. Garrison is a

bailee and could properly make Mr. Armstrong a bailee. 1 MR. LITT: Well, I won't get into that. 2 THE COURT: Well, I will sustain the objection. 3 Basically all he is saying is he had some thoughts about what should be done but they weren't 5 expressed. So it seems to me it is substantially just his 6 7 own mental thoughts that he was going through. This isn't 8 the meeting in England. This is some meeting that he had with Mr. Gayman and somebody else on an earlier occasion. 9 I think the --10 11 MR. FLYNN: Your Honor, what that refers to, there 12 earlier had been an individual engaged to write the 13 biography who discovered the same falsehoods, and he was 14 taken off the project. 15 THE COURT: Well, he just says that is how he felt. 16 He might get the same treatment. 17 Did you discuss that with . . . 18 the individuals . . .? 19 . . . I don't remember, but 20 it had been the subject of extensive 21 discussion prior to that." 22 MR. FLYNN: "But it had been the subject of extensive 23 discussion prior to that." 24 THE COURT: He's already testified. It is cumulative. 25 I will sustain the objection.

(At 11:58 a.m., a recess was taken until 1:30 p.m. of the same day.)

We will take a recess and reconvene, I guess,

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on page 81, line 24.

17a1 . LOS ANGELES, CALIFORNIA; WEDNESDAY, MAY 9, 1984; 1:30 P.M. ---000---2 3 4 THE COURT: All right. We are back in session. 5 Counsel are present. You may continue where you left off. 6 estaid. 7 MR. FLYNN: Page 81, line 24, Your Honor. 8 THE COURT: Yes. 9 MR. FLYNN: (Reading:) 10 "Q At that meeting with Mr. Gaiman 11 and the other individuals, was it ever 12 represented to you that Mr. Armstrong 13 would be your research assistant for the 14 biography? 15 "A It was. 16 "0 Who represented this to you? 17 "A Mr. Gaiman. 18 HO Anyone else? 19 "A Well, he was in charge. 20 PQ Was it also discussed at this 21 meeting what materials you would be provided 22 for the writing of the biography? 23 Not beyond a general saying 24 it -- what was needful, because no one 25 knew what there was, I quess. 26 no Prior to your entering into 27 the agreement which is attached as Exhibit 1,

was there ever any discussion as to what

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materials you would be provided for the writing of the biography?

> "A There was not.

Was it your understanding that at that first formal meeting in Mr. Gaiman's office that Mr. Armstrong in some manner represented the interests of Mr. Hubbard?

> Yes, I thought he did. MA

What led you to believe that he represented the interests of Mr. Hubbard?

For the simple reason that he had -- I was told that he had chargbe or would have charge -- it was unclear in my mind at the time -- would have charge of documents pertaining to Mr. Hubbard's life, documents which would only be properly in the possession of the subject himself.

Was it at that time that you were told that Mr. Armstrong's title was 'Archivist'?

> "A Yes.

"What was the result of the meeting in Mr. Gaiman's office?

"A The -- well, to put it succinctly, it was tentatively agreed that if we came to a meeting of minds with regard to and the terms of a contract, that I would then proceed with a biography.

"Q What terms was it that there was no meeting of the minds on?

"A I wanted two reassurances, first of all, in writing, with respect to a freedom of presenting my material and, secondly, to have -- to restrict the vetting of the contract to those persons that I would name as acceptable to me.

"Q Do you mean vetting of the contract or vetting of the biography?

"A Biography. Oh, sorry.

still had to agree upon were that you wanted reassurance regarding freedom in the presentation of your material, and you also wished to restrict the vetting of the biography to persons selected by yourself; is that correct?

"A I insisted upon the latter point, that those acceptable to me would be named in the contract.

"Q Did you eventually reach an agreement

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MR. LITT: I withdraw my objection. I forgot I had gone over that and it was established. I am sorry. Keep reading.

MR. PETERSON: I think I was in the middle of an answer.

1	(Reading):
2	"A October, 1980, when I went to
3	his office first to thrash out the terms of
4	the contract.
5	"Q Was that prior to October 30, 1980,
6	when the agreement was signed?
7	"A It was.
8	"Q Was there anyone else present at
9	that time when you went to thrash out the
10	terms of the agreement with Mr. Wertheimer?
11	"A Yes.
12	"Q Who else was present?
13	"A Laurel Sullivan was present. There
14	was some other person, but I don't recall who
15	it was. Oh, it must perhaps it was Larry Brennan.
16	I'm not sure, but it was some other representative
17	from I know I don't know who it was.
18	"Q Were there any meetings that took
19	place between the formal meeting that you had
20	in East Grinstead with Mr. Gaiman and this meeting
21	in Mr. Wertheimer's office?
22	"A You mean face-to-face meetings?
23	"Q Yes.
24	"A No.
25	"Q At the time you were in Mr. Wertheimer's
26	office in October of 1980, did you actually sit
27	down with him to write the terms of the agreement?
28	"A We didn't write the terms at that time.

We didn't write the terms at that time.

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THE COURT: All right. I will strike it. MR. FLYNN: (Reading:) 2 Did Mr. Wertheimer tell you 3 that he represented L. Ron Hubbard?" 4 MR. LITT: Same objection; hearsay. 5 MR. FLYNN: Should I go down to --6 THE COURT: Bottom of the page, line 28. 7 MR. LITT: Line 28. 8 MR. FLYNN: (Reading:) 9 And who was it that you 10 understood Larry Brennan represented? 11 He said he had power of 12 attorney for New Era Publications, I 13 believe -- sorry, strike that. It was 14 Pubs DK. 15 16 And who did you understand Laurel Sullivan to represent? 17 18 She was at that time, she --19 to put it in the quaint Scientology 20 terminology, she wore two hats. The one 21 that was related to me was that she was 22 Mr. Hubbard's, I believe, Personal Public 23 Relations representative. 24 "Q Were there any representatives 25 of the Church of Scientology at this 26 meeting at Mr. Wertheimer's office?

I don't know.

"Q Was it your understanding that

"A

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the Church of Scientology would be a party to the contract?

"A Absolutely not.

"Q On what basis do you feel that they were not a party to the contract?

"A Well, because I discussed it. I had no contractual relationship with the Church of Scientology whatsoever.

"Q Who did you understand your contractual relationship to be with?"

MR. LITT: Your Honor, I am going to object to that.

There is no foundation for the remainder of this page through line 18 of the following page. Furthermore, the contract speaks for itself in terms of who the contract was with.

Mr. Garrison expresses an opinion as to whether or not Pubs DK is an alter ego of L. Ron Hubbard. That is the basis of his claim, that he contracted with L. Ron Hubbard for which there is no foundation.

MR. FLYNN: Your Honor, could I be heard?
THE COURT: Yes, go ahead.

MR. FLYNN: The basis of Mr. Armstrong's claim is that he had a contract. Mr. Armstrong had a contract with Mr. Hubbard, and Mr. Armstrong believed that Mr. Garrison had a contract with Mr. Hubbard based upon the tripartite contract between he and Pubs DK and Pubs DK and L. Ron Hubbard. That is why we feel that that contract is relevant

to interpreting the contract between Pubs DK and the Garrison contract.

THE COURT: It seems to me that your client's state of mind would have relevance to all of these matters. I don't really see that Mr. Garrison's state of mind and who he believed he might be contracting with is all that relevant.

I will sustain the objection.

Let's go over to line 20, page 88.

MR. FLYNN: (Reading:)

"Q Did you essentially hammer out the terms of the agreement at this meeting at Mr. Wertheimer's office?

"A Not the ones that eventually appeared in the contract, I'm afraid.

"Q Did you ever see a draft of the contract before October 30, 1980?

"A I did not.

"Q Were any changes made to the contract on October 30, 1980 --

"A Yes. Sorry.

"Q -- when you signed it?

"A As you will see in the contract itself, I was concerned about the premium edition which I was informed could not be spelled out in detail in the contract at the time because the church was legally holding that they had no contract" -
MR. FLYNN: No contact.

19.4 MR. PETERSON: Oh, I am sorry. 2 "no contact with Mr. Hubbard, 3 and therefore there would be no way of saying that he would sign these books. 4 So when I read the contract, I said never-5 6 theless I'm going to write in and initial a reference to promium editions, which 7 in fact I did." 8 MR. LITT: With respect to the first part of that 9 10 answer, I am going to move to strike it as hearsay. As to the second part --11 12 THE COURT: I will deny the motion. It seems to me 13 that these were summaries of conversations he had with the 14 people he was dealing with. 15 Overruled; denied. Go ahead. 16 MR. FLYNN: (Reading:) 17 "Q Who from the church told you 18 that they had no contact with L. Ron 19 Hubbard? 20 HA To a man, everyone I talked 21 with." 22 MR. LITT: Same objection, Your Honor. 23 THE COURT: I will deny it. 24 MR. FLYNN: (Reading:) 25 Did Mr. Wertheimer ever tell 26 you that he had any contact with 27 Mr. Hubbard regarding the biography project?

"A No, he never did.

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"Q Did he ever tell you that he had any contacts with Mr. Hubbard regarding the terms of the contract entered into on October 30th --

"A No, he did not.

"Q I want to refer you to Exhibit 1, page 3, at the bottom is a subparagraph b. In the tenth paragraph."

MR. LITT: For the Court's reference, that would be Exhibit G.

"If you would please read it.

"A You want me to read it aloud?

"Q No. You can read it to yourself.

"A Yes.

"Q There is a reference in subparagraph b. That the publisher would
provide the author with a research
assistant. Was it your understanding that at
that time the contract was entered into that
this research assistant was Gerry Armstrong?

"A Yes.

"Q Upon what basis do you say that?

"A I was told that.

"Q By whom?

"A By David Gaiman and by Laurel Sullivan.

"Q Also in paragraph b it indicates that the author would be provided with any

needed archival and interview materials in connection with the writing of the work.

"Was it ever discussed at the time the agreement was signed what these particular archival interview materials actually were?

"A No, it was not.

"Q After the agreement was signed on October the 30th, 1980, did Mr. Armstrong immediately begin working with you on the biography project?

"A Almost immediately, yes.

"Q Had you had any contact with Mr. Armstrong since the meeting in Mr. Gaiman's office in East Grinstead?

"A I had no contact with

Mr. Armstrong between the time we met in

East Grinstead and the time following

this signing of the contract and he began

to function as a research assistant.

"Q Where were you living at the time you were working on the biography project?

"A In my various places. I don't recall the exact address, but it was in Costa Mesa I had a place and in Utah, of course. Let's say that was my residence.

"Q Did Mary Sue Hubbard play any

biography.

1	role in the contract negotiations?
2	"A None at all to my knowledge.
3	"Q Was she one of the indi-
4	viduals who would have reviewed the
5	biography manuscript for authorization?
6	"A She was not.
7	"Q Did you have any contact with
8	Mary Sue Hubbard during the time that you
9	were working on the biography?
10	"A I did.
11	"Q What form did that contact take?
12	"A Correspondence.
13	"Q When did this correspondence
14	pass between the two of you?
15	"A It was just prior to Christmas
16	of or just after Christmas around the
17	Christmas season 1981, I think; could have
18	been '82 I believe '81. I don't know.
19	I have the letter to refer to it if it's
20	important.
21	"Q Who initiated the correspondence
22	with Mrs. Hubbard?
23	"A I did.
24	"Q What was the purpose of your
25	corresponding with her?
26	"A I wanted a face-to-face
27	interview to help develop materials for the

"Q Did you receive any reply from Mrs. Hubbard?

"A I did.

"Q What was her reply?"

MR. LITT: Your Honor, I object to the description of the reply as being hearsay under the best evidence rule. The defendant does, I believe, have a copy of that correspondence.

THE COURT: Well, the letter is in evidence.

MR. LITT: That particular letter is not in evidence, I don't believe, at least at this point. This is a response of Mrs. Hubbard to Mr. Garrison.

THE COURT: Well, the witness isn't here.

MR. LITT: Well, Miss Dragojevic clarifies it. Her question was whether he had the letter, not what it said.

MR. FLYNN: Your Honor, I think it is important to show Mrs. Hubbard's state of mind.

THE COURT: Well, there is no question that the letter would be the best evidence. The problem is if the document is in the possession of somebody else and nobody asked him to put it into evidence or mark it or anything, secondary evidence would be admissible.

I presume that if he is going to be here he can be cross-examined on it. I will take the position it is secondary evidence and the original wasn't put in the record, so I will deny the motion to strike. You can read the answer.

MR. PETERSON: (Reading:)

"A The reply was that she was very pleased with the biography going forward and that she would like very much to meet with me, but there were security considerations because there were many people who were trying to serve her subpoenas in various damage suits and that for that reason she didn't want to, in effect, be interviewed, but that if I would submit a list of questions of what I wanted to know she would be happy to answer them in writing.

"Q You indicated you still have that correspondence?

"A I do have it, yes.

"Q Do you have her reply to you?

"A Yes.

"Q Okay. Maybe my question was a little misleading. I wanted to know whether

you have your letter to her? 1 I'm not certain about that. I 2 looked for it because the question came up, and 3 I was asked about this. To my best belief I do 4 have it somewhere. I don't know where it is. 5 I do know where her reply is. 6 "0 Did you ever send Mrs. Hubbard 7 any written questions? 8 "A I did not. 9 "0 Is there a reason for that? 10 "A Yes. I never -- I won't submit 11 written questions to a Pope, to a king, to 12 anyone. If they won't confront me with a 13 face-to-face interview, there's no interview. 14 I've interviewed the Pope; I've interviewed 15 kings; I've interviewed presidents 16 face-to-face; so why should I not interview 17 Mary Sue Hubbard? Strike that as being 18 unresponsive. 19 Did you have any other 20 correspondence with Mary Sue Hubbard? 21 "A I did not. 22 Did she ever send you any memos 23 or written dispatches of any type? 24 "A I'm not sure. I would -- my 25 first inclination is to say 'no,' but I believe 26 there are some memoranda that either came 27

through channels or indirectly to me.

"0 Do you know whether Mary Sue 1 Hubbard played any role in the selection of 2 documents to be provided for the biography? 3 "A To my knowledge, none. "Q Did you have any information that 5 Mr. Armstrong was required to seek approval 6 from Mary Sue Hubbard before selecting 7 documentation for the biography? 8 I know nothing of that at all." 9 The next questions, Your Honor, are 10 all pretty straight-forward hearsay, down to --11 THE COURT: I don't think they shed any light on 12 anything either. 13 Go to page 95, line 8. 14 MR. FLYNN: (Reading:) 15 Mr. Garrison, going back to that 16 first formal meeting in East Grinstead in 17 Mr. Gaiman's office, can you recall being 18 provided with a list of materials and a 19 photographic inventory by Mr. Armstrong at that 20 time? 21 "A 22 I remember a photographic inventory. I'm not sure about a list of 23 materials, but this is possible. I definitely 24 25 remember a photographic inventory because I commented on how extensive it was. 26 Was it your understanding that 27

the inventory was of matters in the archives?

1	"A Well, that would be yes, that
2	was my understanding, yes.
3	"Q Also, around the time of the
4	signing of the agreement in October of 1980,
5	can you recall being toured through the
6	archives by Laurel Sullivan?
7	"A Yes. I have said so in an
8	affidavit.
9	"Q Were you shown any materials at
10	that time by Miss Sullivan?
11	"A In a general way. I wasn't
12	handed something and said 'read this.' I was
13	just shown materials in files.
14	"Q What was the purpose of your
15	being toured through the archives?
16	"A I don't know.
17	"Q Did Miss Sullivan ever indicate
18	to you that the materials contained in the
19	archives through which you were toured would be
20	those provided for the writing of the
21	biography?
22	"A Yes, she did. They were in an
23	office adjoining a very small office that I was
24	supposed to use for that purpose; and,
25	therefore, she pointed out the convenience of
26	Mr. Armstrong being in an adjoining office.
27	"Q Did you ever use that office?
28	"A Very briefly, yes.

1	"Q Was that in the beginning
2	"A In the beginning, yes. Sorry.
3	"Q Were you told at the time by
4	Miss Sullivan that these were the archives of
5	Mr. Hubbard?
6	"A I don't think she described them
7	in words at all.
8	"Q Whose archives did you believe
9	them to be?
10	"A In the quick glance I had through
11	the files themselves, I saw all these personal
12	letters, and so who else would it be but those
13	of Mr. Hubbard, so I concluded they were
14	Mr. Hubbard's private papers.
15	"Q At any time thereafter, were you
16	told that these were the archives of
17	Mr. Hubbard?
18	"A Not specifically I don't believe.
19	"Q But you believed them to be the
20	archives of Mr. Hubbard?
21	"A I believed them to be in the
22	archives of Mr. Hubbard.
23	"Q During the time that you were
24	working on the biography, other than the
25	documents provided by Mr. Armstrong, what did
26	you use for research purposes or for writing
27	purposes?
28	"A A great deal not certain

1 research, which I did on my own. "0 Did Mr. Armstrong provide you 2 with any information that was not in the form 3 of documents from archives? 5 "A Not that I recall. "0 Did he conduct any interviews of 6 any relatives of the Hubbard family for you? 7 Yes. That was in line with his 8 work as an assistant. 9 "0 And he provided you with all of 10 this information; is that correct? 11 "A I don't know whether it was all, 12 but he provided me with everything that I knew 13 about, certainly. 14 Was there anything else during 15 the research and writing of the biography that 16 changed the game plan in your mind? Do you 17 18 understand the question? " A 19 I assume I do. I had no game 20 plan, number one, other than that stated as a 21 brief quotation in the manuscript, namely that 22 I was going to act as a good historian and 23 relate everything that was in -- that was 24 pertinent to this history regardless of whether 25 it added anything to Mr. Hubbard's stature or 26 not. And that was the only criterion I had for 27 this book. 28 "0 During the time of the research

and writing, did any differences arise between yourself and the publisher or any other party regarding the criterion that you have just outlined?

"A No. It couldn't arise because they hadn't seen the manuscript.

"Q Somewhat earlier you testified that you did write a biography of Mr. Hubbard which you included in an ENCYCLOPEDIA OF PROPHECY; is that correct?

"A That's correct.

"Q Did the biography that you eventually began writing contain essentially the same facts and information regarding the life of Mr. Hubbard as that original biography?"

MR. LITT: Your Honor, if I may, the next series of questions are all questions relating to questions concerning Mr. Hubbard's background as Mr. Garrison views it. It is not based on personal knowledge; it is all interpretive. It is beyond the scope. It is all based on hearsay. He had been told that, and he had seen this, and he concluded that.

I have noted it for the court to where it goes. You can see it goes on quite a ways. And we object to this whole line of questioning. We don't think it is appropriate. Certainly not appropriate at this stage.

THE COURT: I am just trying to see how far --

MR. LITT: This is the big one, Your Honor.

THE COURT: I am up to page 111.

MR. FLYNN: This is the heart of the defense with regard to what Mr. Armstrong and Mr. Garrison went through and discovered the facts about Mr. Hubbard.

THE COURT: Bear with me. Let me look through this material.

(Pause.)

THE COURT: Well, I am of the feeling that we are still on the plaintiff's case, and I am going to sustain the objection at this time without prejudice, and presumably this gentleman is coming here to testify.

It may be that this will be relevant material on the defendant's case. I'm not quite sure how his recitations necessarily would relate to the defense of the case, but I think at this stage of the game -- I won't refer to it as a game, but at this stage of the trial I will sustain the objection. And you either present it again and we will rule upon it again when he gets here or perhaps you will have to read it again if it is appropriate.

I think we are over to about page 115, line 26.
MR. FLYNN: (Reading:)

"Q You testified earlier that after Mr. Armstrong left the organization he continued working for you; is that correct?

"A That's correct, yes.

"Q Did he set up an office in your 1 behalf? 2 Yes. It wasn't quite that 3 formal. He had quarters which -- temporarily, 4 and this was very brief; I paid the rent and 5 the telephone bill because it was to be used 6 strictly as a -- well, not strictly, I mean he 7 had -- he could do what he liked, really, but 8 principally it was to be used as an office for 9 Ralston-Pilot Publishers. 10 "Q Did he also use the office in 11 connection with his continuing work on the 12 biography project? 13 Yes, for a time he did. 14 "Q And this was the particular 15 office located in the Costa Mesa dwelling; is 16 that correct? 17 Not the one I occupied. There 18 was another address in Costa Mesa. 19 20 21 22 23 24 25 26 27

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This would have been the one occupied by Mr. Armstrong?

That's correct, yes.

You also testified earlier that there were a great number of copies of the archives' documents kept at the Costa Mesa dwelling; is that correct?

My address, you mean, or at

The office of --

Yes, from time to time they passed back and forth because I was working on them, and I'd ask Gerry to do something and to bring -- they passed back and forth between the two addresses.

"O Did there ever come a time when you became afraid for the security

MR. LITT: Your Honor, I have a similar objection to this line of questioning through the top of page 120.

THE COURT: Well, there's already been some testimony about it. I am going to overrule the objection.

> MR. PETERSON: Would you give me the line again? MR. FLYNN: Line 4, page 117:

Did there ever come a time when you became afraid for the security of the documents?

> "A There did.

"Q Do you recall when that occurred?

"A I couldn't -- well, I couldn't pinpoint the time as to date, but, again, it was at the time that -- I can date it from the time that

Mr. Armstrong was first approached at the outside a -- outside the post office and handed a letter from an attorney indicating that legal action was pending against him.

"Let me go back, actually.

Let me clarify that answer. My apprehension with regard to the security of the documents even antedated that. It became more acute at that point, but I had misgivings about them from the time that time — I shall refer to it as 'infamous meeting' — at which we were to discuss amending the contract but which resulted in my saying that henceforth we would deal through attorneys."

MR. LITT: If I may, Your Honor, especially this characterization "handed a letter from an attorney indicating that legal action was pending against him."

This is the best evidence rule and that is in evidence. Those were the letters presumably from Mr. Peterson. Those were the only letters that were sent to

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Mr. Armstrong that I am aware of, and that is not what the letters say.

THE COURT: Well, I am going to deny your motion. Apparently it is hearsay, but it is his state of mind. He is asked about when he became concerned with the security, and I suppose it has to do with evidence that you developed as to his movement of exhibits to and fro to other places.

Let's go ahead.

MR. FLYNN: (Reading:)

0 Do you recall when this infamous meeting took place? Was it in early 1982?

It was in May 1982.

What about the meeting caused you some alarm regarding the security of the documents?

Well, the fact that there was -at the termination of the meeting there was complete hostility between me and those present; I'll except Sherman Lenske because he was an attorney. But as for the Scientologists present, it was obvious that I had become what in Scientology is known as a 'Suppressive Person.'"

MR. LITT: Well, I would reiterate my objection, if you want to change your ruling.

THE COURT: This is a different situation. strike his conclusion of what was obvious because that is a

conclusion on his part.

MR. FLYNN: (Reading:)

"Q Who was present at this meeting?

"A I couldn't tell you everyone there.

"Q You already indicated the name of an attorney.

"A Yes, Sherman Lenske.

"Q I think when we broke I was asking you, Mr. Garrison, who was present at the infamous meeting regarding the amendment of your contract.

"A Apart from this Mr. Lenske,
there was -- I suppose presiding as he was
the attorney there. There was Lyman
Spurlock; I believe Terri Gamboa; a girl
named Marlowe, surnamed Marlowe -- some
of these persons I didn't know. I didn't
even know Spurlock's name until afterwards,
and others whom I didn't know, actually.
Oh, Vaughn Young was present.

"Q What was it that caused the hostility at the meeting?

"A During a discussion of the original contract, I pointed out that there had been gross misrepresentations to me and that I had agreed in the contract to certain terms because of misapprehension

and because of misrepresentation, and for
that reason I wanted the contract amended
to bring it into line with the ordinary
garden-variety publisher-author contract,
and that that meant, of course, that I was
to receive the customary returns for subsidiary rights and so on, at which point
Mr. Spurlock said, 'You are trying to
blackmail us.' And when he charged me with
blackmail, which is, of course, a slanderous
term, I terminated the meeting and said
thereafter if that's how they felt, they
could deal through attorneys.

"Q What was your exact fear with respect to the security of the documents at that point?"

MR. LITT: Your Honor, this is pure conclusion.

THE COURT: It is his state of mind, for whatever it is worth. Explanation of why he did what he did.

"A If I understand your question correctly, I felt that they -- by 'they,' I mean representatives of the Church of Scientology, specifically of this organization called Bl, who were trained to break and enter, would come -- and in fact my house was entered, whether by them or whoever, that they would come looking for the documents and that I would be left holding nothing to show

for my work. 1

> "Q What did you do with the documents at that point that you had in your home?

"A I began carrying them around with me, much to my wife's consternation and we found ourselves with tons of documents wherever we went, lugging them into hotel rooms and transporting them over long distances. It was a nightmare. It was like Scrooge with his ledgers.

Did you deliver some of them "Q to Mr. Crago?

Those were copies that went to Mr. Crago. Those were copies that were made to insure in the event that the binders which Mr. Armstrong provided me were in fact taken, that I would have these to fall back on.

Did you ask Mr. Armstrong to make copies of the documents that you had in your possession?

> "A The ones that went to Mr. Crago?

On Yes.

MA Yes, I did.

0" Did you ask him to make copies of all of the documents that you had which you believed you would need to support your

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1	biography?
2	"A I believe I did.
3	"Q Would that have been the
4	majority of the documents in your pos-
5	session?
6	"A That was my original intention.
7	"Q Did Mr. Armstrong in fact make
8	copies for you?
9	"A Yes, he did make copies.
10	"Q Did you instruct him as to what
11	he should do with the copies he made?
12	"A Well, no. I mean I don't quite
13	follow you.
14	"Q Did you discuss with him what
15	would be done with the copies?
16	"A The copies would come to me.
17	"Q My understanding is that some
18	of the copies went to you, and some of the
19	copies went to Mr. Crago.
20	"A Well, they came to me, and I
21	took them to Mr. Crago. I took them there
22	for safe keeping.
23	"Q Did you take all of them there
24	for safe keeping?
25	"A All the copies. All that I had
26	at the time I took to Mr. Crago.
27	"Q Were any of them left behind
28	in the office of Ralston-Pilot?

Did Mr. Armstrong tell you how

he obtained the document?

"A No, I never knew.

"Q Did Mr. Armstrong tell you that the document caused him some apprehension?"

MR. LITT: I will object again on hearsay grounds.

THE COURT: It is evidence of Mr. Armstrong's state
of mind; overruled.

"A Yes, he did tell me that.

THE COURT: I will strike that as a conclusion.

MR. FLYNN: (Reading:)

"Q Did Mr. Armstrong ever show you any other 'Suppressive Person Declares'?

"A Not that I recall.

"Q Do you know whether he received any others?

"A I do not.

"Q Did Mr. Armstrong's receipt
of this Suppressive Person Declare add to
your concern regarding the security of the
documents?

"A Considerably so, yes.

"Q And can you explain why?

when I say 'they,' again, I am talking about representatives of the church and specifically representatives of the church and Bl and the Guardian's Office, let us say, as an overall; and since Gerry was declared, and I was obviously also hostile because of following the meeting, that an attempt would be made—as indeed I had information documents had been stolen in the past, not only in the case of Washington but in the case, in certain cases in England that you know nothing of — that they have a past history of breaking and entering, and it was just a

matter of prudence for me to secure the documents for my own protection."

MR. LITT: Your Honor, I assume if this is being received, it is solely for state of mind.

THE COURT: Yes, nothing to do with the truth of what is therein stated.

MR. FLYNN: (Reading:)

"Q Do you recall a meeting in April of 1982 in which you accompanied Mr. Armstrong to church premises in Los Angeles where he requested the return of some photographs?

"A I recall it very vividly.

"Q Why was it that you went with Mr. Armstrong that day?"

MR. LITT: Your Honor, I am going to make the same objection here.

I know Mr. Armstrong is going to testify about that in this case, but I do believe that in our case that is well beyond the scope. There was no testimony in our case about it. It has to do with an affirmative defense essentially, and there was no testimony in Mr. Garrison's deposition that would raise this issue.

MR. FLYNN: Your Honor, this relates to the damages and the hiring of the private investigator that Mr. Peterson put in yesterday.

MR. LITT: Your Honor, this is way before the private investigators were hired. This is in April.

THE COURT: Well, it would bear upon his state of :1a4 1 mind. I will overrule the objection. "A It was in the evening, and I 3 went with him at his urgent request. He told me that he needed me to be with him 5 because he feared for his life if he went 6 alone. 7 Did he tell you why he feared 8 9 for his life? No, he did not." 10 MR. LITT: All of this is introduced solely as to 11 12 state of mind? 13 THE COURT: Yes, or as it may be corroborative of Mr. Armstrong's testimony as it is later developed or not 14 15 corroborative. 16 MR. FLYNN: (Reading:) 17 Did you know anything about 18 the photographs which Mr. Armstrong sought 19 to obtain from the church? 20 I believe I -- I believe I 21 did but not a great deal about them. 22 Had Mr. Armstrong told you 23 anything about the photographs before you 24 went with him? 25 "A I -- I'm not sure that he 26 had, but it's possible that he had 27 because -- in any event, by the time we 28 arrived there I did know -- oh, I knew

because he had gone first to another person's home with regard to the photographs, and some of the information, I believe, was divulged there.

"Q And what person was that?

"A I believe his name was Wilhite.

"Q And did some conversation regarding the photographs take place at Mr. Wilhite's?

"A Yes. It was my understanding, in listening to the conversation, that Mr. Armstrong had given Mr. Wilhite these photographs because Mr. Wilhite knew persons who were interested in buying them. And that instead of selling, as in fact he had told Mr. Armstrong, according to Mr. Armstrong, that he had had a buyer that he sold them, in fact and instead he had turned them over to representatives of the Church of Scientology.

"And it was at that point that Mr. Armstrong went to the, I believe, the headquarters of the Commodore's Messengers in the Cedars Complex, and I accompanied him.

"Q Did you accompany Mr. Armstrong when he spoke to the representative of the CMO?

1a6	1	"A Yes. I sat in the passage
	2	outside, just outside the room in which
	3	he
	4	"Q Were you able to overhear any
	5	of the conversation?
	6	"A As it was a high decibel
	7	conversation and completely at times
	8	hysterical, yes, I was able to overhear
	9	it.
	10	"Q Did Mr. Armstrong request
	11	return of the photographs?
	12	"A Vehemently.
	13	"Q What was the response of the
	14	individual CMO member?
	15	"A In substance, and the final
	16	word was, 'Get yourself a lawyer.'
	17	"Q Do you know the name of the
	18	individual that Mr. Armstrong was speaking
	19	with?
	20	"A There were several, but the
	21	one who told him to get a lawyer and who
	22	apparently had the the discretion at
	23	the meeting was Terri Gamboa.
	24	"Q Do you know the names of the
	25	other individuals present other than Terri
	26	Gamboa?
	27	"A I do not.
	28	"Q Did any of the individuals at

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the Scientology organization speaking with Mr. Armstrong state or admit that they had the photographs in their possession?

"A I really don't recall.

"Q Do you recall any discussion in which the members of the CMO refused to turn the photographs back to Mr. Armstrong?

"A Yes. They definitely refused.

1	"Q And they advised Mr. Armstrong
2	to get an attorney; is that correct?
3	"A That was their parting word to him,
4	yes.
5	"Q Did you then leave the church
6	premises?
7	"A Yes, we did.
8	"Q Can you describe Mr. Armstrong's
9	condition when he left the church premises. Was he
10	shaken?
11	"A Do you really want me to?
12	"Q Yes, certainly.
13	"A Maniacal.
14	"Q Did he indicate to you that he
15	was afraid for his life at that point?
16	"A Very much so. He was totally
17	distraught. He was virtually incoherent at
18	that point.
19	"Q Did you have any discussion with him
20	regarding obtaining an attorney to represent
21	him?
22	"A I don't recall at that time that I did.
23	I balieve not.
24	"Q Were there any other events that
25	took place in the spring of 1982 which resulted
26	in Mr. Armstrong stating to you that he was
27	in fear of his life, other than the ones we've
28	talked about?

1	"A There were on-going incidents
2	and misadventures and so on. It was a constant
3	source of discussion, constant source of discussion
4	between us.
5	"Q Did Mr. Armstrong's wife ever tell
6	you that she was afraid for her life during
7	that period?"
8	MR. LITT: Objection; Mrs. Armstrong.
9	THE COURT: I will sustain that objection.
10	MR. FLYNN: (Reading):
11	"Q Did they appear distraught to you
12	during that time?"
13	MR. LITT: Same objection; asks about both. And
14	it is compound.
15	THE COURT: Overruled.
16	MR. PETERSON: (Reading):
17	"A Very much so.
18	"Q After this incident with the
19	photographs, do you know whether Mr. Armstrong
20	went to seek counsel?
21	"A I do not. I was not aware. I
22	do not know.
23	"Q Can you recall ever taking
24	Mr. Armstrong to the airport for a flight to
25	meet with an attorney by the name of Michael Flynn?
26	"A Yes, I do recall that. I didn't
27	know actually my impression was that
28	Mr. Armstrong was going to Clearwater, Florida.

1	to attend some sort of hearing that they
2	were having and not specifically to meet an
3	attorney. But apparently I understood that
4	Mr. Flynn was involved because he had been
5	involved in the Clearwater scene for quite
6	some time, and there was a document I had of some
7	of the proceedings on that.
8	*Q After you took Mr. Armstrong to
9	the airport, do you recall Mr. Armstrong's
10	wife staying with you and your wife?
11	"A She stayed in our flat because
12	she was afraid to stay alone in their dwelling."
13	MR. LITT: Objection. I am going to move to strike
14	as hearsay.
15	THE COURT: Hearsay. Stricken.
16	MR. FLYNN: (Reading):
17	"Q And that was as a result of those
18	events that had occurred with respect to
19	"A Previously
20	"Q the Church of Scientology?"
21	MR. LITT: No foundation.
22	THE COURT: Strike as well.
23	MR. FLYNN: (Reading):
24	"Q Did Mr. Armstrong at any time tell
25	you that he had sent documents to Mr. Flynn?
26	"A Mr. Armstrong was not too forthcoming
27	with me in the early stages of his relationship
28	with Mr. Flynn because I had objected to Mr. Flynn

having any documents except later on what was absolutely necessary for Mr. Armstrong's defense.

I felt that quite --

"See, I did not know Mr. Flynn, and I had great reservation about his having any of the documents, but that if he were to have some he should have only those that pertained to the legal proceedings, because of his relationship with other writers. I wanted to protect my material.

"Q I believe that you indicated in your earlier testimony that you were willing that Mr. Armstrong have any of the material he needed provided that it could not be distributed beyond the legal arena.

"A That's correct.

"Q Do you feel that Mr. Armstrong violated that agreement that you had with him?

gave any material outside the legal arena. I have the reservation as to whether it ever went outside. I was -- to be quite candid, I was never informed in any detail what information Mr. Armstrong gave to Mr. Flyhn, and I don't know to this moment in accurate detail. When the documents came to be sealed by the court, I asked repeatedly; I tried to get information.

"Mr. Armstrong -- I asked him specifically

what is all -- what is -- the press had an exaggerated, apparently an exaggerated estimate of how much material had been taken into court, and this astonished me. So I asked Mr. Armstrong what in hell is all that about 22 cartons or something, and he said that -- I said, 'Was this material that came from my collection?' And he said only -- the only things that were taken to the court, were sealed in the court, were those, as he put it, legal stuff that was necessary for the case.

"Q Do you have any information that any of the documents taken were distributed beyond the legal arena?

"A I have no indication of that whatever.

"Q You testified earlier that in the past you had been provided with an enormous amount of material with respect to the writing of various books and that you had an understanding that the materials would be kept confidential; is that correct?

"A It was a tacit understanding that
was never formalized or -- it was well understood.
Mr. Gaiman and I always had very cordial and
amicable relations because he understood me and
I understood him; but it was never -- no one ever
said you are going to observe the confidentiality

of these documents. He simply assumed that I would, and I did.

"Q Was that ever a part of the contract of October, 1980?

"A No, it was not. I don't think confidentiality was ever mentioned in connection with any of these documents to me."

MR. LITT: I am going to move to strike that on the basis that the contract, which is in evidence, speaks for itself, Your Honor.

THE COURT: Well, everything after "No, it was not" will be stricken as nonresponsive.

negotiations?

1	"A I'd like to know the purpose
2	of the question, first. I mean, how is it
3	related to Mr. Armstrong's case?"
4	THE COURT: Let's not get involved with colloquy.
5	MR. LITT: The colloquy goes on quite a ways, Your
6	Honor.
7	THE COURT: I guess, on page 135, line 5.
8	MR. FLYNN: (Reading):
9	"Q Well, let me rephrase the question.
10	Whose interests were represented at the settle-
11	ment negotiations?
12	"A As I understand it, the New Era
13	Publications was represented; Mary Sue Hubbard
14	was represented, and the I don't really
15	know whom the other attorneys were representing;
16	I assume they were representing who are their
17	clients?"
18	THE COURT: Let's go down to line 27.
19	MR. FLYNN: (Reading):
20	"Q I believe the question that I
21	had asked before we broke was whose interests
22	were represented during the settlement negotiations,
23	and Mr. Garrison answered New Era Publications
24	and Mary Sue Hubbard.
25	"A And, of course, my own.
26	"Q All right. Are those the only
27	interests that you are aware of that were
28	represented?

1	"A The only ones that I'm aware of,
2	yes.
3	"Q Are you aware of anyone representing
4	the interests of L. Ron Hubbard?
5	"A Directly, no, I'm not. In other
6	words, to clarify that, no one has represented
7	to me that he represents L. Ron Hubbard directly.
8	"Q So as far as you know, Mr. Hubbard
9	was not represented at this settlement?
10	"A Not at all. Mr. Hubbard may have
11	been represented. I don't say that. It is my
12	belief that he was, but that's simply my belief.
13	I think he was very much represented there."
14	MR. LITT: I would move to strike starting with the
15	words "it is my belief."
16	THE COURT: It will be stricken.
17	MR. FLYNN: (Reading):
18	"Q What was your belief based upon "
19	THE COURT: Well, skip that. I guess, line 19 on
20	page 137.
21	MR. FLYNN: (Reading):
22	"Q The document marked as Exhibit 2 (22)
23	paragraph 4 indicates that you delivered all
24	documents and materials obtained in relation to
25	the preparation of the biography to the Church
26	of Scientology International.
27	"Was it ever represented to you that
28	Mr. Hubbard authorized the delivery of these

1	documents to the Church of Scientology International?
2	"A No.
3	"Q Did you sign any releases in
4	connection with this settlement agreement?
5	"A I didn't sign releases. All I
6	signed was the settlement agreement which was
7	an agreement.
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with the Mafia and many other things; I have been through a war. I don't give any thought to personal danger; and if I did, I'm not easily intimidated."

THE COURT: I guess we get Mr. Litt back again on page 141.

MR. LITT: Right.

"Q Mr. Garrison, I only have a few questions, and I hope that will be an accurate statement. I have been accused on occasion of saying that and going for an hour, but I'll see if I can avoid it at this time.

You stated during your testimony, both during the cross-examination and earlier, that the contract that you signed specified individuals who could review the manuscript. I must confess that if it's there I can't find it.

"A Well, it may be another case of something agreed to and not put in.

"It wasn't included, but I can tell if you are interested. It was David Gaiman, L. Ron Hubbard, and there was one other person. Those were the principals, and my impression is there was one other person whom I don't recall at the moment.

"Q Okay.

"A It was expected at that time,

actually, that Mr. Gaiman, as he had done previously with the other books, would read the manuscript -- and I might say as an aside parenthetically that he never found anything objectionable in the others, and this is why I thought he was intelligent, and he could --also he had a broad and liberal view about what would go in the manuscript -- that he would read it, and after he read it he would pass it on to Mr. Hubbard. That was the understanding. But I believe there was some backup for Mr. Gaiman; in case he wasn't available to do it, someone else could do it in his stead.

"Q Now, regarding the archives,
you've indicated that the archives appear to
you to be archives of Mr. Hubbard. Do you mean
by that that the archives were materials that
appeared to be Mr. Hubbard's materials?

"A Yes. There were materials that no person in his right mind — that were so intimate that no person in his right mind would pass on to an organization. Moreover, the reason I assumed that is that they were materials which ran contrary to published biographies of Hubbard, and they were materials which would be deleterious to his image with his followers; therefore, it would follow that he would not have it in the hands of his

followers, I mean, willingly or knowingly or -I just think that they were very, very private
papers, as you must have seen if you examined
the documents I returned.

"Q The archives themselves were kept not with Mr. Hubbard, to your knowledge, but were kept at the Cedars of Lebanon complex; is that right?

"A Which archives? Do you mean originally or at the time I came on the scene?

"Q When you came on the scene.

"A When I came on the scene, the principal place where archives were kept, as far as I know, was in Cedars of Lebanon near where my office was. For my convenience, I understood that they were moved there so I could be moved next to them. That's all.

"Q When you have dealt with people -- I'm going to try to discuss this in a broad sense. When you have dealt with Scientologists related to the subject of Scientology or Mr. Hubbard, has, in your experience, anyone who is not a Scientologist in good standing ever had the authority to represent either the church or Mr. Hubbard?" MR. LITT: The answer is on line 26.

MR. FLYNN: Your Honor, I am going to object.

THE COURT: Overruled.

MR. LITT: (Reading:) "A Not to my knowledge. "Q Now, you stated that Mr. Armstrong, you thought, was representing Mr. Hubbard. Would it be fair to say that your actual knowledge was that he was authorized to gather research for the biography?" MR. LITT: Going on, there is no answer to that: You have no knowledge, do you, of any appointment, for instance, of Mr. Armstrong as Mr. Hubbard's agent? "A I have only the --

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"Q		He couldn't,		, for	instance,	transact
busines	s for	him;	is tha	t rig	ht?	

"A I've never seen any power of attorney, if that's what you mean.

"Q Do you have any information that would indicate that Mr. Armstrong was Mr. Hubbard's agent for general purposes; he acted as his representative in legal affairs or financial affairs?

"A No.

"Q It was your understanding, I take it, that Mr. Hubbard had approved the biography and had approved Mr. Armstrong acting as archivist with respect to the biography?

*A That was my understanding.

*Q And it was your understanding that this position that he held was based upon his position in the church as a Scientologist in good standing?

"A That I wouldn't know, but I would assume that if you want me to assume it."
MR. LITT: Then the witness adds at line 4:

"But I have no way of knowing that.

ever told that, would it be fair to say, based on what you observed and your experience,

Mr. Armstrong's position as an archivist was tied to his position as a scientologist in good

standing? 1 Well, yes. I would categorically "A 2 answer yes. 3 And when Mr. Armstrong left the "O 4 church and left Scientology, you no longer 5 considered him, did you, a Scientologist in 6 good standing? 7 "A No. 8 And similarly you no longer 9 considered him, did you, someone who continued 10 to be authorized by Mr. Hubbard to be his 11 archivist? 12 No. I had no reason to believe 13 that. 14 "O And based on all your experience, 15 16 you would conclude, wouldn't you, that given his falling out with the church and with Scientology 17 18 and with Mr. Hubbard, that he would no longer act 19 in this capacity?" 20 MR. FLYNN: Objection, Your Honor. MR. LITT: The objection wasn't made at the time. 21 22 MR. FLYNN: It is hearsay, Your Honor. 23 MR. LITT: It calls --24 MR. FLYNN: It calls for an opinion. 25 MR. LITT: Based on his experience.

28 left the church with the church so he couldn't

THE COURT: Well, I will overrule the objection.

act in that capacity. I mean it's self-evident that he couldn't and therefore --

"Q I won't quarrel with that.

"A Therefore the answer is self-evident, you see. No.

"Q So in his continuing to work with you on the biography, he was basically doing this for you at that point, in your mind, not for Mr. Hubbard; is that right?

"A I never stopped to question that, but if you are bringing the question up now, I would guess he was doing it for me."

MR. FLYNN: Move to strike on the ground of speculation, Your Honor.

THE COURT: All right, everything appears to be a guess, so I will strike it.

MR. LITT: Your Honor, I don't think it is a guess.

It is a question of your state of mind. If we allow in these things about his state of mind, his state of mind was when Mr. Armstrong left the church he no longer had authority to act for Mr. Hubbard.

THE COURT: Well, I don't think this is a major issue in this lawsuit.

MR. LITT: Well, I agree with that, but it was gone into at some length in the cross.

MR. FLYNN: I will withdraw my objection. We will let the guess stand then, Your Honor.

MR. LITT: (Reading):

1	"Q How long have you worked in various
2	ways with Scientology?
3	"A Ten years approximately ten
4	years.
5	"Q During those ten years, you've
6	had extensive experience in dealing with the
7	church working with Scientologists?
8	"A Yes, I have.
9	"Q And also you've had extensive
10	experience in working with Scientologists who
11	I won't use the words 'representing' Mr. Hubbard,
12	but you were looking out for Mr. Hubbard's
13	interests?
14	"A Yes.
15	"Q And on the basis of that experience,
16	you would conclude, would you not, that
17	Mr. Hubbard always entrusted his affairs or
18	asked people to assist him in one respect or
19	another only in the event that they were
20	Scientologists in good standing; is that
21	correct?
22	"A My assumption would be yes.
23	"Q I'm not asking for an assumption,
24	but based on your experience? I'm not asking
25	at this point
26	"A Would I conclude that based on my
27	experience, yes.
28	"Q And did you have experience in which

there were people in positions within the church 1 who upon leaving the church no longer would act 2 for Mr. Hubbard's interests upon their leaving 3 the church? Did you ever observe that occur? 4 No, I had no contact with such people "A 5 at all. 6 You mentioned a Sue Anderson that Om 7 you had dealt with. 8 #A Yes. 9 Did there come a point where you no 10 longer dealt with her? 11 MA Yes. 12 Do you know whether she left the 13 church around that same time? 14 "A Not that same time. She was 15 reassigned to do something else, and Laurel 16 Sullivan, I believe, took over. 17 And at some point Laurel Sullivan 18 19 left the church; is that right? I understood she did. I've been 20 21 told she did. 22 0 " You indicated that you couldn't 23 have written the full and complete biography 24 that you did without the assistance of 25 Mr. Armstrong, I believe. 26 MA Yes. 27 0" When you say that, answer the 28 following question for me: Assuming that there

was someone else who had done the same work
that Mr. Armstrong had done in the archives
and you had the same abilities -- since I know
you have a high regard for his abilities -then, I assume, that in that eventuality that you
could have written a similar --

"A Yes.

"0 -- work?

"A Yes, obviously.

Now, you mentioned -- let me do another thing first. You mentioned something, and I ask this question because it was asked, and I don't believe it's admissible, but in the event that it is, I do have some followup questions on it.

"You gave what you considered an instance" -MR. LITT: Well, that was stricken, Your Honor. This
is redirect on things that the court struck.

THE COURT: All right.

MR. LITT: We would go over --

MR. FLYNN: Your Honor, as I understand what the court struck were representations or misrepresentations that had been made about Mr. Hubbard's background. This goes to state of mind as to his knowledge of harassment by the B-1 Bureau.

THE COURT: I am not going to get into it at this time. Let's just go on with this and get it over with. We are approaching the end of it.

MR. LITT: We go to page 150. 1 THE COURT: All right. 2 3 MR. LITT: (Reading): OM You mentioned that you read some press reports about the event before Judge Cole 5 that mentioned 22 cartons of material, whatever. 6 "A Whatever. 7 0 . And that you had a discussion with 8 Mr. Armstrong, and he said that the only thing 9 that was sealed was legal material. 10 Material pertaining to the case, that 11 it was limited to the legal consideration. 12 13 Are you aware that according to 14 Mr. Armstrong, the sole source of all those 15 documents is your materials? 16 MA Well, I'm aware of that, yes, and he 17 would have no other source so far as I know 18 of getting those materials except from those I had. 19 "Q Assuming that the description of 20 22 cartons of materials is accurate, did you have 21 any description that the volume of material had 22 been taken to you?" 23 MR. FLYNN: If I can object since we all know there 24 are only five cartons and not twenty-two cartons, and the 25 press misreported the fact that twenty-two cartons were 26 turned over to the court. I think all of this is misleading 27 without foundation based on a false statement.

THE COURT: Well, it is irrelevant. Consider it

is irrelevant and go on to line 14.

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1 (Reading:) MR. LITT: 2 "0 Are you aware that 5,000 pages 3 approximately of materials were provided to Mr. 4 Flynn -- that's by Mr. Armstrong's estimate --5 from your materials? "A No, I'm not aware of that. 6 7 " O Was that volume of material that you had understood that Mr. Armstrong needed 8 9 for his suit? "A The volume was never discussed. 10 "0 Leaving aside --" 11 MR. FLYNN: Your Honor, /would continue to object on 12 the same ground, that the 5,000 in the mind of the witness, 13 14 from what I understand, was that there were 22 cartons of 15 documents. 16 MR. LITT: It says "5,000 pages." 17 THE COURT: Let's not argue over this. Let's just go 18 on. 19 MR. LITT: (Reading:) 20 Leaving aside whether it was 21 discussed or not -- I'm going to your state of 22 mind -- did you understand that that kind of 23 scope of material and volume of material was 24 what was needed by Mr. Armstrong? 25 "A No, I did not. 26 "Q Are you aware that aside from 27 that there are some thousands of more pages of 28 documents that were provided to

Miss Dragojevic's firm, Contos & Bunch?

"A No, I am not aware of any of that.

"Q Assuming that that's accurate -- and Mr. Armstrong has testified to that effect -- were you aware that that volume of material, in addition to what was given to Mr. Flynn, was being taken by Mr. Armstrong from you?

"A No. I don't know -- I have no knowledge whatsoever of the volume of material that you know -- I never did. As I said before, I repeatedly asked what -- when I read the account in the press, I was very much alarmed because I thought, 'Here goes a dissemination.' You never know what's going to happen once -- even the court seals don't mean too much as we saw in the case of Judge Ritchie. One judge will seal it, and the other unseals it.

"So I was very much concerned about what was -- what was sealed up in the courts, and I still don't know. I don't know the volume. I don't know the contents. I never was able to find out."

MR. FLYNN: Your Honor, from here to the end, based on the 22 cartons, plus thousands of more pages to Contos & Bunch -- All of this is totally irrelevant.

MR. LITT: Your Honor, I have read in deposition 1 testimony from Mr. Armstrong that corroborates these 2 assumptions. 3 MR. FLYNN: The witness is under the impression it is 4 22 cartons, plus another eight to ten thousand --5 THE COURT: We could read this while you are arguing 6 about it. Let's just finish it and chalk it up to 7 experience. Let's go ahead. 8 MR. LITT: (Reading:) 9 "0 Did you ask Mr. Armstrong? 10 "A I did, yes. He didn't -- I 11 wasn't sure that he knew. 12 "0 Can you explain that? 13 "A Well, he didn't -- I don't think 14 he personally delivered it to the court, as I 15 understand it. I don't think he delivered the 16 documents to the court. 17 But it was your understanding 18 that he had delivered it to the attorneys: 19 right? 20 Yes, but I don't know how much --21 I have no idea what he delivered to the 22 attorneys. 23 Now -- and, frankly, this is not 24 going to be a question that is going to be easy 25 for you to answer because I know you are fond 26 of Mr. Armstrong; I know you don't want to do 27

anything to harm Mr. Armstrong. At the same

time I'm going to ask you for a frank answer on 1 this. 2 "In all sincerity, did you have 3 any idea -- assuming that the description I 4 have given you is accurate, that there were 8 5 to 10,000 pages, did you have any idea that 6 Mr. Armstrong, was taking that amount of 7 materials from you? 8 I had no such idea and I haven't "A 9 I'm not aware of it at all. how. 10 Was it your intention, in 11 discussing with Mr. Armstrong your making 12 available to him materials that were needed to 13 provide that kind of scope of materials? 14 No, it was not." "A 15 MR. LITT: Mr. Flynn. 16 MR. FLYNN: I have nothing further. 17 MR. LITT: I have nothing further if Mr. Flynn 18 doesn't. 19 MR. FLYNN: Having spoken to the witness, I believe he 20 was under the impression 22 cartons of materials were turned 21 over, which, as we know, is totally false. 22 MR. LITT: Mr. Flynn doesn't want an answer read into 23 the record asked by his co-counsel. 24 MR. FLYNN: I intend to bring Mr. Garrison in --25 THE COURT: All right. You want to read something, go 26 ahead, Mr. Litt. 27

MR. PETERSON: Give me a page and line.

MR. LITT: Well, I will just finish reading the 1 deposition. It is probably easier. 2 Actually, the only thing remaining that I am 3 interested in, if the court will go to page 155, beginning 4 at line 10. This is a question asked by Miss Dragojevic. 5 (Reading:) 6 I believe that you testified 7 earlier that with respect to the documents you 8 would have given Mr. Armstrong whatever was 9 necessary to his legal defense so long as it 10 remained within the legal arena; is that 11 correct? 12 "A Yes. 13 "0 Would you have denied Mr. Armstrong 14 access to 8 to 10,000 pages of documentation 15 had he specifically told you the amount? 16 "A Yes, I would. 17 "0 Why is that? 18 Because I would -- I feared for 19 their passing into Mr. Flynn's hands. I 20 trusted Mr. Armstrong. I didn't trust Mr. 21 Flynn." 22 That is the only remaining thing I have. 23 MR. FLYNN: I will read the last one, Your Honor, 24 line 24. 25 (Reading:) 26 "I believe you testified earlier 27 that you had no evidence to indicate that the 28

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documents had actually gone beyond the legal
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             arena.
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                          No, I have no such evidence."
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                   THE COURT: Okay. Let's take a 15-minute
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      recess.
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                   (Recess.)
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THE COURT: All right. Let the record show that we are back in session. Counsel are all present.

MR. FLYNN: Your Honor, I have an issue I'd like to raise at this time with the court, and that is the settlement agreement that was referred to of which a public statement of the settlement agreement has now been marked as an exhibit.

Obviously the settlement agreement relates to who owns or who has the right to possess documents that are at issue in this case because under the agreement with Mr. Garrison and his testimony specifically at page 56 of the deposition, it was his understanding pursuant to that agreement, the settlement agreement, that he was to return the documents to the Church of Scientology International which is not a party to this lawsuit.

Now, one of the theories of our defense is that for there to be a conversion, there had to be a conversion, the plaintiff or the intervenor had to have a right to possession at the time of conversion, and we believe that up until at least the summer of 1983, the only one who had the right to possess the documents were Mr. Armstrong pursuant to his contract with Mr. Hubbard and Mr. Garrison pursuant to his contract with PUBS DK. Therefore, the settlement agreement would be relevant to show what Mr. Armstrong's rights are with respect to who owns or has the right to possess the documents as of the summer of 1983.

Similarly, the contract between PUBS DK and

L. Ron Hubbard might also address the issue of the documents

since they are not addressed as Mr. Garrison testified in the contract between him and PUBS DK, so we'd similarly like to have the opportunity to see the agreement and see the settlement agreement to determine whether it might be relevant to the defense of the case.

THE COURT: What page are you referring to?

MR. FLYNN: Page 56, Your Honor, line 14 through

line 21.

In fact, he even refers to the agreement, but we don't even know what he is referring to.

MR. LITT: He refers to exhibit 22, Your Honor, which was expressly written to be a public statement of the agreement that explains all the relevant facts which is that Mr. Garrison entered into an agreement with New Era Publications, the successor to PUBS DK, to return the documents to the custody of the Church of Scientology International.

As to the arrangements made between the various Churches of Scientology, that is irrelevant. This case was brought by the party that had provided the materials to Mr. Garrison, or at least that Mr. Armstrong had gotten them from. The contents are confidential, and the only relevance as to what is contained in that statement is that Mr. Garrison makes no claims to the documents, and it is a confidential agreement and it is not relevant.

THE COURT: Well, I don't really see that it sheds any light on anything here. Mr. Hubbard, through his letter, has requested that any documents be turned over to the

Church International. That was in February of '83.

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The fact that there was a settlement is something that might go to the matter of bias or prejudice, I suppose, when the witness is testifying, but precise details seem to me to be irrelevant.

MR. FLYNN: For example, suppose the settlement agreement says that Mary Sue Hubbard is to have no access to the materials. That would totally defeat her interests.

THE COURT: I don't really see how that would be binding upon her. Unless she was a party to the agreement, she'd have her own rights. People can make their own agreements as between themselves, but they are not binding upon third parties who are not a party to the agreement. If she has rights in those documents and she wants to assert them, hypothetically she could do so.

MR. FLYNN: Suppose the agreement says that L. Ron Hubbard owns the documents and has the right to possess them. That would fulfill the contract that Mr. Armstrong had with him.

We are operating completely in the dark as to what these documents say. They could be vital to the defense.

THE COURT: Oh, I don't think there is a good enough showing at this point that there is any necessity for that, so I will deny the motion.

MR. LITT: Your Honor, if I may just clarify one point that the court made.

Actually Mr. Hubbard says in his letter, we will

argue this later I suppose, that the materials be returned to the church, and he sent a copy to the Church of Scientology International, which is the mother church as of now, but not the church that had the original custody of the documents. So we just want to have that clear because Mr. Flynn is going to argue that the Church of Scientology International is not a party to this agreement, and the Church of Scientology of California is, and therefore Mr. Hubbard's statement is returned to the Church of Scientology International. His statement is to the church with a carbon copy to the Church of Scientology International. I just want to clear that up factually.

THE COURT: I don't think it is necessary to dwell on that particular problem at the moment.

MR. LITT: Your Honor, we would move into evidence exhibit 22.

THE COURT: Any objection, counsel?

MR. FLYNN: Well, only, Your Honor, that it is a public statement of a contract which now you are making relevant to the issues in the lawsuit, and we don't know what the contract is.

THE COURT: We do know what the settlement agreement says on its face.

I will overrule the objection. Be received for whatever value it may have.

MR. LITT: Your Honor, we would like to inquire whether the defendant is prepared to stipulate that other than the instant suit which was filed on August 3, 1982 he

has not been sued in any court by any Church of Scientology, by L. Ron Hubbard or by Mary Sue Hubbard? We will present testimony --THE COURT: I suppose you could call him and ask him that. MR. LITT: Well, we can present it through Mr. Peterson who knows, but we can stipulate to it and save time. THE COURT: An offer to stipulate. Do you want to enter into the stipulation on that? MR. FLYNN: I'd first raise the relevance of it, Your Honor. THE COURT: Well --

MR. LITT: This goes to the question of whether or not when Mr. Armstrong took these materials he was a defendant and was taking them for any case in which he was a defendant.

MR. FLYNN: We will stipulate to it, Your Honor.

THE COURT: All right.

MR. LITT: We rest, Your Honor.

THE COURT: All right. The case is with the defense.

MR. FLYNN: Your Honor, at this point we would move for a nonsuit and/or directed verdict.

And I would like to submit a little bit of argument on it, if I could.

THE COURT: All right.

MR. FLYNN: Your Honor, we believe that the evidence shows that Mr. Armstrong was authorized by L. Ron Hubbard or his representative to collect documents for the biography.

In fact, there is no evidence of any nature or description which rebuts the evidence that L. Ron Hubbard or a representative messenger authorized him to collect the documents.

There were, in that authorization, no limitations placed on the circumstances under he could collect documents. He was, in effect, either an agent or an independent contractor working for L. Ron Hubbard, where there was no supervision over his day-to-day activities in terms of what he did in connection with the collection of the documents.

It was understood and agreed by everyone that in this collection process he could bring the documents to

Omar Garrison for purposes of the writing of a biography.

The contract, which we believe is the underlying document in the case, places no limitation on what Mr. Garrison could do with the documents. And, in fact, there is specific evidence, which we have just read, that he allowed Mr. Armstrong to use the documents in the legal arena. There is no evidence that Mr. Armstrong violated

Namely, that the documents were used outside the legal arena.

that trust or that agreement between he and Mr. Garrison.

There is no evidence that Mr. Garrison placed any restriction on the manner in which Mr. Armstrong collected the documents during the period of time that he was working for L. Ron Hubbard up to December, 1981, per the testimony of Mrs. Hubbard and other representatives of the church, and there is no evidence that Mary Sue Hubbard communicated any restriction to Gerald Armstrong about the specifics of where he could and could not collect documents. No evidence whatsoever.

In fact, the evidence of Mary Sue Hubbard was that she didn't communicate with Gerald Armstrong. So, in effect, the court has a situation where Mr. Armstrong is engaged by L. Ron Hubbard, or a messenger acting on his behalf, to collect documents from no restricted sources. There is no other source inside the organization that restricts him. In fact, the testimony is precisely the opposite. The testimony of Mr. Vorm was that he gave him permission to have the documents from the so-called control of his archives.

Therefore, I submit to the court that there is no evidence of any nature or description that up to the time of the settlement agreed to in the summer of 1983 Gerald Armstrong did not have the right to possess the documents per his agreement with L. Ron Hubbard. Mr. Hubbard, in fact, to date -- no one has heard from Mr. Hubbard. In fact, exhibit 1 doesn't even state whether or not Gerald

There is no evidence that Omar Garrison -- And I specifically asked Mr. Peterson this question. There was no evidence that Omar Garrison was asked to return any documents until he entered into the settlement agreement, which has been a public statement, which has been marked as exhibit 22.

Armstrong couldn't have copies of the documents.s

The underlying contractual arrangement between Gerald Armstrong and L. Ron Hubbard and Omar Garrison and PUBS DK, which is also not a party to this action, permitted both Mr. Garrison and Mr. Armstrong to have these documents.

Therefore, under the law of California, the plaintiff and the intervenor had the burden of proving that at the time they brought this lawsuit they had a right to possess the documents or at the time of the alleged conversion they had the right to possess the documents.

it, are that when the documents were given to me, Mr. Armstrong's lawyer, the invasion of privacy and the intrusion took place. Well, I submit, Your Honor, that there is no evidence that either the plaintiff or the intervenor had the right

to possess the documents at that time. In fact, the evidence is precisely the opposite.

Therefore in the conversion counts, under the law of California, I submit that the plaintiff and the intervenor should be nonsuited and/or a directed verdict should be entered in favor of Mr. Armstrong with respect to those counts.

Also, with respect to the conversion counts, we submit that the only way that the court could frame relief in this action with respect to these documents is for Mr. Hubbard to have been a party and to have appeared and to have explained to the court and made claims in this proceeding as to what his contractual rights were under the contract.

There are several California cases, which I will briefly mention to the court, which we feel are specifically relevant to this case.

One is Bank of The Orient v. San Francisco Federal Savings & Loan, 136 Trial Reporter at 731.

In that case there was a partial assignment of contractual rights between several parties. And the contractual rights basically -- or the assignment basically arose in the following context:

A bank manager apparently stole or embezzled funds, and we will call him the bank manager of Bank A.

He then went to his own bank, Bank B, and deposited checks which he had used to embezzle the funds from Bank A. Bank A thereafter, pursuant to an insurance contract that it had,

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paid off the claim of Bank B, when Bank B subsequently lost the funds because it had wrongfully deposited them. The issue became whether or not Bank A, after it had assigned its rights pursuant to its insurance contract — but then brought a separate action — needed to bring in as a party the insurance carrier to which it had assigned its rights. And it failed to do so.

And the court dismissed the action, and it relied on, in part, this U-Tex case, a copy of which I have provided to the court, where the failure to join an indispensable party was brought up for the first time in appeal. It wasn't even raised at the trial level, as we have here.

And the court held that where there has been a partial assignment of contractual rights all parties claiming an interest in the assignment must be joined as plaintiff's in the action involving those rights, since they were indispensable parties and since without them the court lacks jurisdiction.

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1 the middle of this litigation the contractual rights with 2 regard to the possession of these documents in the hands or 3 Omar Garrison, from whom Mr. Armstrong received them, gave 4 them back, apparently, to an organization called New Era 5

PUBS DK.

Publications pursuant to the settlement agreement public statement which is marked as exhibit 22: New Era Publications is not even a party to this action, and it apparently received an assignment of all the rights of

Now, you have a situation here where right in

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Assuming that the real party in interest in this case is really L. Ron Hubbard, there is no indication that L. Ron Hubbard approved of such an assignment. As we know, under the original agreement he had to approve the final biography, and apparently from what Mr. Garrison has testified, there was a completed manuscript. There is no evidence that Mr. Hubbard even considered that manuscript to determine whether it was approved.

So, I submit to the court that this New Era Publications, which is apparently, from the little evidence we know, been assigned the contractual rights under Garrison's contract is not a party to the action, and therefore the conversion counts should be dismissed because that corporation, whichever it is, under the case law that I have just cited is an indispensible party.

Secondly, there is no provision in the contract that limited Omar Garrison from disseminating the documents to anyone. In fact, if there had been such a provision, if

a provision was written into the contract that if Omar Garrison found in the documents matters that indicated that L. Ron Hubbard had engaged in fraudulent representations over many years or engaged in other criminal acts, if such a clause had been put in under the case of Brown versus Freese, F-r-e-e-s-e, 28 Cal.App.2d 608, the contract would have been void as against public policy.

Also, under the case of Allen versus Jordanos, also relying on the Restatement of Contracts, if such a clause had been put in the contract, it would have been void as against public policy. The Allen versus Jordanos is 53 Cal.App.3d at 162.

So, I submit to the court that you have a situation where the underlying burden that the plaintiff and the intervenor have in this case to prove its conversion count relates to something that goes to the right of possession of these materials at certain critical points in time. Those critical points in time are when the documents were turned over to me because that is their claim when the conversion took place, and under the contract the only one who had the right to possess the documents at the time was either Gerald Armstrong or Omar Garrison.

If a clause had been put in the contract that once Omar Garrison found discreditable information and then disseminated it and that terminated the contract, that clause would have been unenforceable which would have continued the right to possession per the fact that Mr. Hubbard is the individual who originally authorized the

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collection of the documents. It would have continued the right to possession in Mr. Armstrong until such time as Mr. Hubbard came forward and entered into a different contractual arrangement either with Mr. Armstrong or with Omar Garrison which was never done. For that reason, Your Honor, we think the conversion counts of both parties should be dismissed.

With regard to he breach of fiduciary duty count, the fiduciary duty was owed to L. Ron Hubbard if it was owed to anyone because it was L. Ron Hubbard that Mr. Armstrong entered into the agreement with. In fact, the evidence has only been that there were no restrictions on the documents. That Mary Sue Hubbard, although she now claims there are restrictions, and I will admit on the witness stand she claims that in her mind she put restrictions in the documents, but she certainly never communicated them to Mr. Armstrong, number one, and number two, the party with whom Mr. Armstrong contracted was not Mary Sue Hubbard. It was with her husband, L. Ron Hubbard, and he never placed any restrictions on the documents nor did the organizational representative, Mr. Vorm, who testified precisely the opposite that he gave the documents to Mr. Armstrong and he got authority from his organizational senior.

So, I submit, Your Honor, that there is no evidence at all of any fiduciary responsibility between Mr. Armstrong and the Church of Scientology of California. Therefore, there is no evidence that he could have breached

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With regard to Mary Sue Hubbard, there is absolutely no indication in the record. In fact, Mary Sue Hubbard testified she never spoke to Gerald Armstrong.

Never communicated anything to him, so there was obviously not fiduciary duty or relationship that existed between the two of them.

With regard to the invasion of privacy count of Mary Sue Hubbard, as I understand it, the claim is that the intrusion took place without publication, but simply the fact of an intrusion with the documents were turned over to me, although I must confess I don't presently understand the intervenor's allegations nor do I believe that there is any evidence whatsoever to support the fact that there can be an intrusion where documents have been given consentually, and where documents have been given pursuant to a contract, and where another party comes forward; namely, Mary Sue Hubbard and claims that her privacy rights have been invaded upon when her husband has appointed someone to collect up the documents and give them to Omar Garrison and then Omar Garrison, who enters into a contract with a third party corporation which places no restrictions on the documents, gives them to Mr. Armstrong, which once the defense of this case begins will show that he was entirely justified, in fact, shockingly justified in doing what he did.

But in any event, if the theory of the case is that there's been an intrusion, then I submit there can be no intrusion where there's been consent and that consent

flowed from L. Ron Hubbard, and it, for all intents and purposes based on the evidence that has been presented in this case, the consent continues right up to the present time.

Assuming that exhibit 1 only relates to the state of mind of L. Ron Hubbard under Section 1250 of the Evidence Code as of February 1983, not to the truth of the matter asserted in it, there is no indication that L. Ron Hubbard has terminated his rights in the original contract that was made with Garrison, no evidence whatsoever.

Therefore, I submit to the court that as long as the court is confronted with a situation where the only evidence in the case is that Mr. Armstrong came into the documents consentually, there can be no intrusion.

I don't believe there was any evidence introduced of publication with with regard to a claimed invasion of privacy. If there is an allegation of publication, and I submit that the only testimony at all was from Mrs. Hubbard and I asked her very specifically as to what the circumstances were under which she claimed that Mr. Armstrong stole the materials, and she said she didn't know. And I asked her specifically what he did with them, and she said she didn't know other than give them to me, and I, as his attorney, had placed them under seal in this court.

So not only do I think that there is any claim f publication, if they are claiming that, there is no evidence of publication.

made to an attorney in the context of Mr. Armstrong, per the testimony of Mr. Peterson, retaining counsel to represent him after Mr. Peterson sent the letters to him, then I submit to the court that at that critical point in time Mr. Armstrong giving documents to a lawyer, after a lawyer from the church has contacted Mr. Armstrong, and after he has been told, per the testimony of Mr. Garrison, to get a lawyer, would not under the law constitute an intrusion. In fact, all it would be is Mr. Armstrong doing precisely what he was told by the organization; namely, to get a lawyer.

So I don't believe that under the law of any state, or under federal law, the fact that an individual gives documents to his lawyer to defend himself, which became the subject of a lawsuit, can constitute invasion of privacy.

For all of those reasons, Your Honor, I believe that a conversion, the invasion of privacy, and the breach of fiduciary duty counts should all go out. And that the balance of the case should only go forward on the issue of equitable issues, where there is a claimed declaratory and injunctive relief with regard to what should be done with the documents.

Thank you.

THE COURT: Mr. Litt.

MR. LITT: Your Honor, I will argue if the court feels -- Frankly, I think it is clear that there is no

nonsuit here, and I am prepared to argue it. I don't want to unnecessarily take up the court's time.

Let's start with what the actual facts that have been shown are.

There is no showing of a contract, Your

Honor. There is no contract between Mr. Armstrong and

L. Ron Hubbard, and certainly to the extent that one can

arque it is a contract it is merely that -- an argument.

The evidence is that Mr. Armstrong, a

Church of Scientology of California employee, petitioned

Mr. Hubbard and got some response in connection to gathering

up materials about Mr. Hubbard. No mention of Mr. Hubbard's

private materials. But he is appointed to this post, and

somebody who signs the document or whatever that comes back

said, "Okay."

Mr. Hubbard's reverence within the church and whatever clearly means that the fact that somebody communicates with Mr. Hubbard, who is an employee of the church, inquiring of him for his approval to hold a particular post, approval which is ecclesiastical approval — the idea that they become a personal agent of L. Ron Hubbard and that they have entered into a contract with L. Ron Hubbard is, I would suggest, fanciful on its face, and certainly the evidence that has been presented here doesn't support that.

Mr. Armstrong said that he was on a Scientology post. Mr. Armstrong admitted that he could have been removed by a senior other than Mr. Hubbard from his post.

We introduced records showing that he had been paid by the church on that post, he expended church moneys to go out and buy materials for the archives. The archives were private and confidential. He testified that he had use of them solely for gathering up the archives and providing them to Mr. Garrison; that they were provided to Mr. Garrison on a confidential basis. That is his understanding; they were provided to Mr. Garrison solely for use in the biography. That was his understanding.

position? The evidence is quite clear. Gerald Armstrong is a church employee. He gets posted to a certain position. That position affects the interest of L. Ron Hubbard, the founder of Scientology, therefore is of particular concern to the church, of course, but he is on a church post, he is on a Scientology post, he is being paid by the church, he is expending moneys of that church.

The church, Mrs. Hubbard testified, had been entrusted with certain materials. The church is a bailee. A bailee has the right, in the absence of the claim of the actual owner, the superior claim of the actual owner, to protect the bailment.

So, therefore, the archives themselves are gathered up with the church as the bailee, for use in building up an archives, which includes, for whatever set of reasons, gathering up private materials of Mr. and Mrs. Hubbard, materials that Mrs. Hubbard herself had packed up some 20 years before. Mixed materials of their marriage.

Now, I think there is absolutely no basis for arguing in this record -- and if there is a basis for arguing it, it is certainly not a basis for a directed verdict -- that there is any contract.

All the evidence, including the evidence from Mr. Armstrong, is, in fact, that he was on a church position, just like hundreds or thousands or perhaps tens of thousands of individuals.

Then Mr. Armstrong provides these materials to Mr. Garrison for work on the biography; he provides originals. The court has seen some originals. When the court takes a look at the materials, the court will see a large number of originals, which he is not supposed to do because they are originals. He is supposed to be providing copies. But he provides originals. He gives them to Mr. Garrison solely for use on the biography.

He says, in his own words, that what happened later with respect to him taking it is a whole different thing. So when he gives them to Mr. Garrison he is acting as a church agent; he gives them to Mr. Garrison for one purpose.

Furthermore, Mr. Garrison testifies, "Yes, they were very, very private, I considered them confidential, I had a 10-year working relationship with the church. It wasn't even a subject that had to be discussed, it was just assumed that I would not provide them to anyone else."

So what we have is we have a situation in which the private papers of primarily L. Ron Hubbard and

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in part of Mary Sue Hubbard have been gathered up by the church because of Mr. Hubbard's reverence by the church.

They are provided through the church, whether properly or not we don't really need to really resolve at this point, through Mr. Armstrong — they are provided to Mr. Garrison. Whether Mr. Hubbard knew about that or Mrs. Hubbard knew about that, for purposes of this case, is not dispositive, because regardless of whether either of them knew about it there was a very limited purpose. That purpose had controls on it which insured that the confidentiality would not be violated because the contract required final approval, and the contract had a privacy clause, the contract between PUB DK and Omar Garrison.

That contract says that PUB DK will provide a research assistant. Omar Garrison says it is his understanding that Gerald Armstrong is the research assistant provided pursuant to the contract.

In the records is a communication from PUBS DK to the Church of Scientology saying, "Please appoint an assistant," and there are board minutes doing so.

Mr. Armstrong is acting as a Church of Scientology of California representative who may have some permission of some vague sort, because it is quite vague -- this petition is quite vague -- from Mr. Hubbard, and I emphasize "may" because Mrs. Hubbard said she doubted it, to act in this church post. And the confidentiality of all of this material is assumed.

What happens is Mr. Armstrong takes advantage

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of his relationship with Mr. Garrison. He goes to
Mr. Garrison at one point, after some disputes with the
church, in which he had not been sued, and when all of the
evidence is out -- if we are going to discuss this photo
incident, the way it has been characterized, and Mr. Armstrong
has had his photos -- if we are going to discuss what is
not in evidence yet -- Mr. Armstrong goes to Mr. Garrison
knowing that he no longer is acting on behalf of the church.
They claim that he continues to act as agent for L. Ron Hubbard,
when he is antagonistic to L. Ron Hubbard, when he is
attacking L. Ron Hubbard, when he wants nothing to do with
L. Ron Hubbard. I would suggest it is a relative difficult
claim to even listen to. It is just -- a generous description
is disingenious of any argument that there was a continuing
contract that went beyond the time that he left the church.

So he goes back, having now no authorization whatsoever, supposedly -- and I will even assume for the purposes of my argument Mr. Garrison is having him help on the biography. However, Mr. Garrison stops in May 1982. Mr. Garrison even says he is not really working under the contract anymore. So there is a question as to whether or not Mr. Garrison has any right to deal with him. But more importantly he gave the documents to Gerry Armstrong, having nothing to do with the work on the biography. He said that in his deposition. He gave the documents to Gerry Armstrong because Gerry Armstrong said "I need them for my legal defense of a lawsuit that doesn't exist," and Mr. Armstrong has admitted that that was not what the documents were used for. He has admitted he gave them to Mr. Flynn for use in other cases. That was a request to admit. Cases other than this case.

The private materials were provided by

Mr. Armstrong to Mr. Flynn to use them, and when the full

evidence is in we will see to what extent and how they have

been used. But the evidence is he gave them, he went and

got them, knowing that he had no right to them, knowing that

they were private, knowing that they were confidential.

He was not entitled to take them for his own case, even if that was the situation. That is what court process is for, but he didn't even only take it for his own case by his own admission and his own testimony, he took it to use in other cases. He agreed to become a witness for Mr. Flynn in other cases.

So that the claim that there is no basis -certainly in this context without some justification that I
suppose they will try to make in their defense that you can
go take someone's papers because you think you need them for
your lawsuit, you can't do that.

Now, then, those are the facts. Those are the facts even after cross-examination. Those are the only possible inferences.

Then, the question becomes well, what is the law in relationship to those facts. Well, original materials were taken. Mr. Armstrong had what now appears to be quite literally hundreds of original materials of substantial economic value which he took, which he didn't have a right to take, which weren't supposed to be taken out of the archives at all.

He takes them and he holds them and gives them to these lawyers. He makes copies of a variety of private materials. Mrs. Hubbard has identified large amounts of private materials.

The first time he went to see Mr. Flynn what did he take with him? A document which you have not seen identified as part of the defense in his case, a very

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private letter from Mary Sue Hubbard to L. Ron Hubbard in the 1950s. I didn't see that marked as part of the alleged proof of anything. That is the first thing, the first item that he takes to Mr. Flynn.

That by itself, that alone, leave aside everything else we have heard, establishes invasion of privacy. All you need in California for an invasion of privacy or for a breach of confidence is that you have confidential information that you know it is for one purpose and you use it for another purpose. You give it to any single party not entitled to have it, and you use it for any purpose not within the terms under which you were given it. The terms under which it was given were quite clear. They are admissions from Mr. Armstrong. We don't even have to introduce other evidence on that. He said it himself.

The invasion of privacy is clear. The conversion is clear. Even if you would accept the notion, which we do not, that making copies of materials is not conversion. The evidence has established and all the court has to do is to take the view that we have asked it to take that there are numerous originals. Mr. Armstrong had them. They got turned in to the court when they were supposed to be returned. They had come from the archives. That sure sounds like pretty straight-forward conversion to me.

The last is breach of fiduciary duty. All that is needed for a breach of fiduciary duty is that one have an obligation. That obligation continues after employment, and that one breached that obligation. Here the obligation was

quite clear. Mr. Armstrong was given access to extraordinarily private and confidential information. When he was given it, he considered that there were extreme limitations on it. He considered that he was only given it for limited purposes.

In fact, we introduced deposition testimony about how carefully at the time he maintained the security of these materials, about how confidential they were, about how they were kept. Very few people had keys and quote, Hubbard archives were kept under locked file cabinets and all of the security measures taken by Mr. Armstrong, himself.

He then goes out. No longer in the church, antagonistic to Mr. Hubbard, to Mrs. Hubbard and to the church, and he takes these materials and he distributes them for use in cases to Mr. Flynn. He gives them to Mr. Flynn apparently to use in his own case, which is a violation of his fiduciary duty on this record because he has no right to do so.

I don't have the right if I am going to be in a dispute with my former employer to go in and take their records. If I am entitled to them, and there is a lawsuit, that is what court process is all about. The law does not condone self-help, but that is not even it. That, by itself, is a breach of his obligation of confidentiality.

But what happens is that, in fact, he gets them not only for his own purported suit because he had no lawsuit at the time, and when asked what he was going to be sued for, he said he didn't know. He also gives them for use in other suits to Mr. Flynn, to Mr. Flynn to use, knowing that Mr. Flynn has suits against L. Ron Hubbard, Mary Sue Hubbard and the Church of Scientology, so that he can use them, and he is a witness for Mr. Flynn in those

suits to use this confidential information against the Hubbards and against the church.

That is as straight-forward a breach of fiduciary duty as one can get. I would suggest even communicating the information in his head is a breach of fiduciary duty, but taking documents which he had no right to is a breach of fiduciary duty clearly.

Mr. Flynn has suggested to the court something about whether or not a limitation on this contract would be in violation of public policy. Mr. Flynn is trying to ague in that respect through the back door.

Now, let me speak to what is perhaps the only issue that still perhaps needs to be dealt with, and that is the terms of the contract. The contract is, it is true, by its terms silent with respect to what happens, what the terms of providing materials are. Since it is silent, the practice of the parties, which Mr. Garrison testified to at length, and the understanding and practice of those carrying out the activities in relationship to it, are the guiding evidence. And on that score all the evidence is that the practice was to maintain the confidentiality, the understanding was provided for only a limited purpose, confidential, private and on and on and on.

From Garrison, from Armstrong and from anybody else we have here there's been nothing, nothing to the contrary, and to argue that because the contract doesn't specify that somehow means that you can take someone's private materials when you have had a practice and you have

had an understanding with all involved that you will maintain them privately and give them out is clearly not the law. The contract cannot be interpreted that way.

with respect to whether or not Mr. Armstrong has engaged in acts which give rise to liability under the theories that have been advanced in our complaint, technically because I am not arguing all the evidence now in the context of a non-suit, I think that there is no question about that fact. We have made out all of the necessary elements. We have provided ample facts to support them. I would suggest we have provided overwhelming facts to support them, and it is time for Mr. Armstrong to show whether he can, in fact, justify any of this wrongful conduct that he engaged in.

THE COURT: Mr. Harris, did you want to add anything?

MR. HARRIS: No, Your Honor, submitted.

MR. FLYNN: Your Honor, could I just make a very few brief points?

THE COURT: All right.

MR. FLYNN: Very briefly.

The private letter that Mr. Litt referred to by his own admission was not admitted into evidence, so we have no idea what it is, and the extent of the testimony was that Mr. Litt believes it was shown to me, Mr. Armstrong's lawyer.

With regard to using the documents in other litigation, while this court has permitted that per the terms of the preliminary injunction, number one.

Mr. Peterson testified that he couldn't identify a single document that was used in other litigation.

is an employee who took documents from his employer and then attempts to use them against the employer, Mr. Litt has got his facts based on the evidence that's been introduced wrong. The evidence is that Mr. Armstrong had the documents consentually from Mr. Garrison and from L. Ron Hubbard, and that he had them consentually right up to the time that the lawsuit was brought.

I would submit on that point what the church has basically done and what Mary Sue Hubbard has done is they have dumped the gun, Your Honor. If they wanted the documents that were in Mr. Armstrong's possession and/or

Mr. Garrison's possession, then they should have simply sought equitable relief because at that point all Mr. Armstrong had done is sought legal counsel based upon the church telling him to go get a lawyer after they had stolen his photographs. That is the extent of the evidence, so I submit that basically what they did is they brought their tort causes of action before they had them.

If Mr,. Armstrong had gone out, for example, and tried to write a book based on these materials, then a different argument might obtain, but I think that if all they sought back were the materials, they simply should have sought equitable relief rather than bringing these various causes of action when all Mr. Armstrong had done was give these documents to his lawyers to defend himself.

THE COURT: Well, of course, the issue really is whether or not this, being a court trial, whether the plaintiff has established by a preponderance of the evidence all the facts necessary to support their claims for damages upon the various theories that they have alleged in their complaint.

It is really a very simple case, at least on the plaintiff's case. It appears to me that the plaintiff has preponderated as to whether or not Mr. Armstrong was an employee of the plaintiff church, and it appears to me that while there isn't any permanent deprivation, there is withholding of property and use of the property outside the scope of what the original purposes were, which he was entrusted with the property, and it seems to me that is really all you need to have, assuming that there is damage

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also as a proximate result to establish the plaintiff's case.

They conversion of property does have value and there is been testimony. Whether it is all of the testimony to be presented, I don't know. But there are documents that are under seal that the church does not have copies of in their archives.

THE COURT: Okay.

There has been a withholding of originals of value, and so that would support the conversion theory, and the breach of fiduciary duty, breach of confidence, essentially misuse of the property that would be entrusted to an employee or fiduciary. And the invasion of privacy is a little different; it doesn't fit into the usual category of publication of private matters. More appropriately, it probably comes under a number of the California Constitutional Provisions that deal with the misuse of property lawfully acquired.

Whether or not that also might be technically an intrusion I don't know it is necessary to decide so I don't propose to decide that.

It seems to me that the plaintiff has made out his case at this point and the matter goes to whether or not the defense that will be presented disestablishes or demonstrates that there isn't a preponderance on any of these issues or establishes a defense of privilege, justification, so forth.

So the motion for judgment will be denied.

It is almost 4:00 o'clock, so we will recess until 9:00 o'clock tomorrow morning, at which time the case will be with the defense. Will you have witnesses available ready to proceed?

MR. FLYNN: I will, Your Honor. Mr. Armstrong will be our first witness and I anticipate he could probably be on for several days on direct examination.

MR. LITT: Several days on direct alone?

MR. FLYNN: Your Honor, what we have to do in order to establish the defense of privilege is to show what Mr. Armstrong's state of mind was, what he found the documents --

THE COURT: We will just take it one step at a time, one question at a time, one exhibit at a time.

MR. HARRIS: As a courtesy, we are having a daily transcript. I don't know if Mr. Flynn is ordering it. It seems to me -- I haven't seen Your Honor getting any. Would there be any objection --

THE COURT: The reporters have provided copies to the court.

MR. HARRIS: I just wanted to make sure that was so.

MR. LITT: We would make one other request. Mr. Flynn submitted a 50-person or so witness list. Perhaps now our case has been presented he could be of some assistance and give us a list somewhat tailored down so we have some idea what we are dealing with here.

MR. FLYNN: At this point I can give the court some indication of who my witnesses are. I submit there will probably be 10 or 15 10-minute witnesses, who will simply say they are all members of the church for the last 10, 15 years, they all relied on the honesty, integrity, moral character of L. Ron Hubbard when they joined and paid money, et cetera, et cetera.

Other than that, there are some basic witnesses, and I think they already know who they are, Laurel Sullivan,

Gerald Armstrong, Omar Garrison, Bill Franks, the former head of the church, Sherman Linsky, the lawyer who has been mentioned, Eugene Denks, the physician of Mr. Hubbard. That is about all I can think of off the top of my head; there

THE COURT: Okay.

may be a few more.

MR. LITT: One last thing is that we did have an agreement that with certain witnesses we would have advance depositions and with others we would deal with it as we went along. All I am asking at this point is Mr. Flynn give us advance notice so the question of a deposition of Bill Franks, who has been specifically designated as a person whose deposition would be taken -- that those arrangements could be made. It doesn't have to be done right now.

MR. FLYNN: Your Honor, I also add Jim Dincalci, who owned the photographs that were stolen from Mr. Armstrong that started this whole thing. He will be a witness.

As far as making any of these people available at this point for deposition testimony, we are in the middle of the defense of our case, Your Honor. If we have to take out time to attend depositions -- I have already been in California for five weeks on this case --

THE COURT: There was some discussion about somebody other than Laurel Sullivan --

MR. LITT: Bill Franks and Jim Dincalci specifically. The court suggested we wait until the defense case and deal with it then.

THE COURT: Where are they coming from?

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MR. FLYNN: Franks is coming from New York, and Jim Dincalci is coming from four or five hundred miles from here.

THE COURT: Maybe you could have them come Sunday before Monday. You indicated Franks wasn't going to testify to very much, was he? No, it was Dincalci.

MR. FLYNN: Franks is probably going to testify that he, per the orders of L. Ron Hubbard, removed Mary Sue Hubbard from her post.

Dincalci is going to testify the photographs that were stolen were stolen from Gerald Armstrong, that they were his photographs, and he is also going to testify that he was with L. Ron Hubbard in 1973 while L. Ron Hubbard was hiding from the French fraud case. And the sole basis for him joining the organization and working for the organization was the honesty, integrity, and moral character of L. Ron Hubbard. It is that simple. If he had known what was in the documents, then he would never have joined.

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MR. LITT: Your Honor, we should discuss at some point this question of bringing people in, because we can bring in a thousand for every one that Mr. Flynn brings in, if that is what we are going to do in this case.

If we are going to play a numbers game,

Scientologists would flock to the opportunity to come into

this trial and testify about anything that could be said

about L. Ron Hubbard, and whether they are still Scientologists

and so if that is what this case is going to be we may be

here an awfully long time.

MR. FLYNN: That is not the issue. The issue is whether or not the state of mind of Mr. Armstrong believed that in his mind, in the minds of Scientologists, he knew the honesty, integrity, and moral character, truth of the representations of L. Ron Hubbard were in issue relating to these documents, specifically as related to the SP Declare accusing him of defamation.

THE COURT: I don't think it is necessary for me to prematurely rule upon whether something is cumulative or unnecessary or whatever. I think we will take one witness at a time and see what happens.

MR. LITT: Thank you, Your Honor.

MR. HARRIS: Thank you, Your Honor.

MR. FLYNN: Thank you, Your Honor.

(At 3:53 p.m. an adjournment was taken until Thursday, May 10, 1984, at 9:00a.m.)